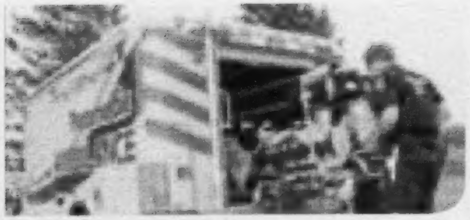
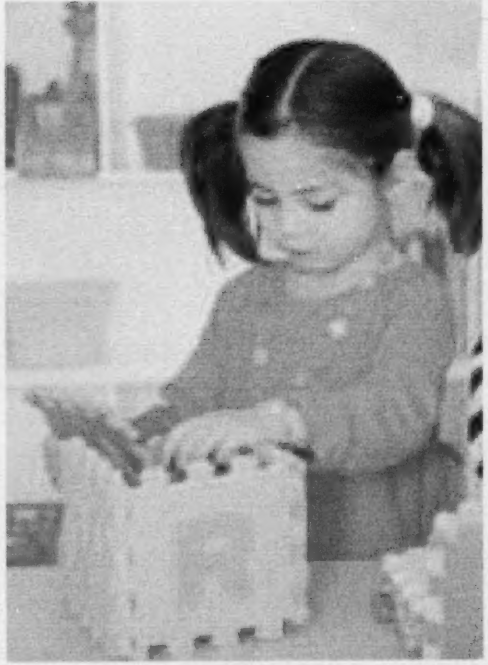
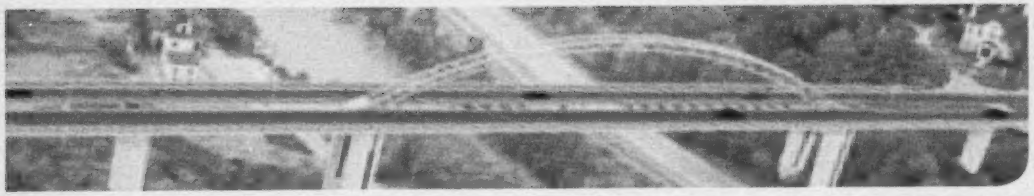
Building Community. Building Lives.

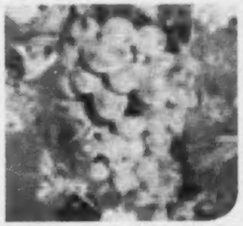






NIAGARA REGION
BUDGET SUMMARY
2013

Niagara Region



On behalf of Corporate Services and the Budget Review Committee, we are pleased to submit the 2013 levy, rate and capital budget summaries.

This budget summary provides the details of expenditures and revenues by department and program areas of service.

This year the Niagara Region has committed to improving the budget process, transparency, and communication. Improvements include:

- Comprehensive cost allocation initiative
- Expanded departmental information
- Multi-year budgeting
- Guidance, reserve surplus / deficit policies, cost allocations
- Enhanced public engagement sessions, including an on-line survey and video (www.niagararegion.ca/government/budget/2013-per/default.aspx)
- Online capital budget visualization tool (www.niagararegion.ca/government/budget/capital-budget-mapping-tool.aspx)

Description	**Levy Budget**	**Rate Requisitions**	**Total Operating Budget**	**Capital Budget**	**Total Budget**
Gross Expenditure	643,150,524	160,487,049	803,637,573	218,252,031	1,021,889,604
Revenue	(340,045,310)	(17,868,831)	(357,914,141)	(64,183,011)	(422,097,152)
Net Total	**303,105,214**	**142,618,218**	**445,723,432**	**154,069,020**	**599,792,452**

This is the third budget of this term of Council. Highlights of this term include:

- Funding provided for approximately $102 million in previously unfunded capital projects without increasing property taxes
- Maintaining an average annual tax rate increase of 1.27 per cent (less than the average rate of inflation over the same time period)
- Implemented a new responsive region improvement team initiative
- New economic delivery model
- Introduced enhanced incentives for community improvement initiatives
- Implemented the Regional transit pilot
- Managing social assistance caseload growth
- Streamlining immunization clinics
- Maintaining Niagara EMS response time in the 90th percentile
- Residential waste diversion rate benchmarking
- Implementing POA early resolution within the courts
- Implementing new affordable housing development

On December 6, 2012 Regional Council approved a 2013 tax levy increase of 1.97 per cent after assessment growth. The average homeowner with a residence valued at $217,831 in 2012 will experience a $25 tax increase in 2013.

This budget cycle balances prosperity and job creation while providing sustainable funding for programs and services.

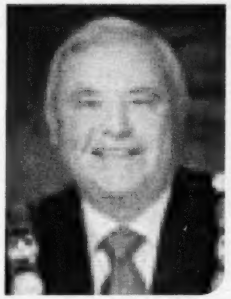
The combined water and wastewater household impact for 2013 is estimated at an average increase of $18. The wholesale variable water rate to the local municipalities changed by 0.49 per cent in 2013. The wholesale fixed water requisition to municipalities increased 0.56 per cent, while the wholesale fixed wastewater requisition increased by 3.75 per cent. The waste management impact per household is estimated at an average of $3 per household. These impacts will vary per household based on the local area municipality.

The capital budget is submitted for approval annually and contains planned capital expenditures.

Several larger projects, such as the Burgoyne Bridge and a new financial management system, are included in the capital budget this year making the 2013 capital budget the largest in the Regions' history at $218,252,031. Capital projects and their respective funding sources are provided in summary in the 2013 capital budget. In addition, a balanced 10 year capital forecast in the amount of $1,560,764,773 has been proposed and is illustrated in the 2013 capital budget and nine year forecast.

We would like to extend our appreciation for the support and hard work offered by council and staff, and for their dedication to the budget process.

Respectfully Submitted:



Gary Burroughs
Regional Chair

Dave Augustyn
Co-Chair Corporate Services Committee & Chair Budget Review Committee of the Whole

Henry D'Angela
Co-Chair Corporate Services Committee & Vice-Chair Budget Review Committee of the Whole

Mike Trojan
Chief Administrative Officer

Debbie Elliott
Acting Commissioner of Corporate Services

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CORPORATE MANAGEMENT TEAM

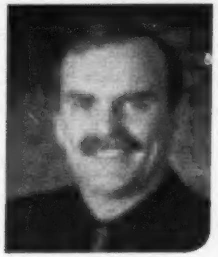
Mike Trojan,
Chief Administrative Officer

Dr. Valerie Jaeger,
Medical Officer of Health and Commissioner

Katherine Chislett,
Commissioner, Community Services

Debbie Elliott,
Acting Commissioner, Corporate Services

Ken Brothers,
Commissioner, Public Works


Patrick Robson,
Commissioner, Integrated Community Planning

REGIONAL COUNCIL COMMITTEES

- Police Services Board
- Niagara Regional Housing
- Corporate Services Committee
- Niagara Peninsula Conservation Authority
- Integrated Community Planning Committee
- Public Health and Social Services Committee
- Public Works Committee

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

- Corporate Services Department
- Community Services Department
- Integrated Community Planning Department
- Public Health Department
- Public Works Department

BOARDS AND AGENCIES 2013

Provincial Offences Act

Ken Beaman, Chair
Joanne Spriet, Associate Director, Court Services

Niagara Peninsula Conservation Authority

Bart Maves, Chair
Tony D'Amario, Chief Administrative Officer/Secretary-Treasurer

Police Services Board

Henry D'Angela, Chair
Todd Shoalts, Vice-Chair
Deb Morton, Executive Director

Niagara Regional Housing

Karen Murray, Chair
Lora Beckwith, General Manager

OTHER SUPPORTING SERVICES

Auditors

KPMG
Chartered Accountants

Fiscal Agents

National Bank Financial Inc.
RBC Capital Markets
CIBC World Markets Inc.

Fiscal Solicitor

Borden Ladner Gervais

Insurance Broker

HUB International Ontario Limited

Banker

The Royal Bank of Canada

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* *at the time of printing*

REGIONAL COUNCIL AND CHAIR

REGIONAL CHAIR
Gary Burroughs

CITIES

NIAGARA FALLS
Jim Diodati, Mayor
Barbara Greenwood
Bart Maves
Selina Volpatti

PORT COLBORNE
Vance Badawey, Mayor
David Barrick

THOROLD
Ted Luciani, Mayor
Henry D'Angela

ST. CATHARINES
Brian McMullan, Mayor
Alan Caslin
Brian Heit
Ronna Katzman
Andrew W. Petrowski
Tim Rigby
Bruce Timms

WELLAND
Barry Sharpe, Mayor
Peter Kormos
George Marshall

TOWNS

FORT ERIE
Douglas Martin, Mayor
John T. Teal

GRIMSBY
Bob Bentley, Mayor
Debbie Zimmerman

LINCOLN
Bill Hodgson, Mayor
Mark Bylsma

NIAGARA-ON-THE-LAKE
Dave Eke, Lord Mayor
Dave Lepp

PELHAM
Dave Augustyn, Mayor
Brian Baty

TOWNSHIPS

WAINFLEET
April Jeffs, Mayor

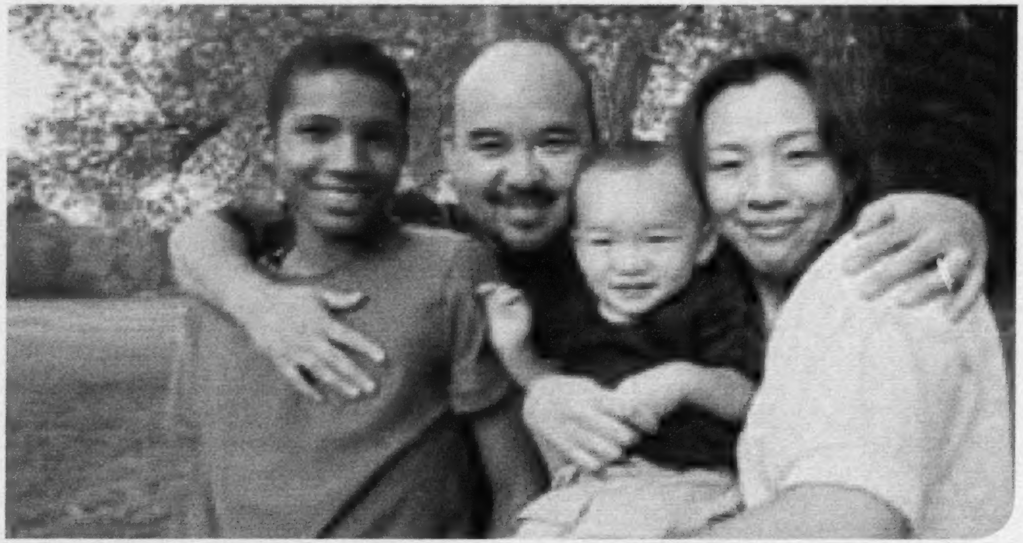
WEST LINCOLN
Douglas Joyner, Mayor

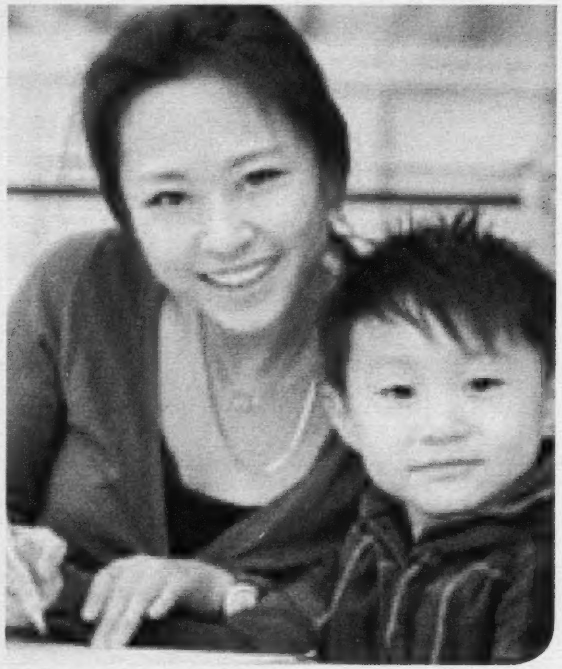
Niagara Region

STAFF COMPLEMENT FULL TIME EQUIVALENTS (FTE)

	2012	2013
REGIONAL DEPARTMENTS		
Administration	**7.0**	**7.0**
Corporate Services Department		
Administrative Services	5.0	5.0
Financial Management & Planning	32.6	32.6
IT Solutions	53.0	53.0
Legal Services	10.0	10.0
Facilities	43.2	43.2
Human Resources Services	41.7	42.7
Sub-Total	**185.5**	**186.5**
Economic Development	**6.0**	**6.0**
Responsive Region	**3.0**	**3.0**
Integrated Community Planning Department		
Clerk's Office	21.0	21.0
I.C.P.	30.0	31.0
Sub-Total	**51.0**	**52.0**
Community Services Department		
Commissioner	2.0	2.0
Operational Support Services Division	16.6	16.6
Operational Support Services - Social Housing	5.1	5.1
Social Assistance & Employment Opportunities	215.4	215.4
Children's Services Division	77.9	77.9
Seniors Services Division	806.4	806.4
Housing, Hostels & Homelessness	1.0	1.0
Sub-Total	**1,124.3**	**1,124.3**
Public Works Department		
Administrative Services	11.0	11.0
Engineering Services/Transportation	201.6	201.6
Sub-Total	**212.6**	**212.6**
Public Health Department		
General Programs	243.7	243.7
Emergency Services	297.8	297.8
100% Funded Programs	104.6	104.6
Sub-Total	**646.1**	**646.1 1**
Sub-Total Regional Departments	**2,235.4**	**2,237.5**
Boards and Agencies		
Provincial Offences Act	27.0	27.0
Niagara Regional Housing	45.6	45.6
Niagara Peninsula Conservation Authority	53.5	53.5
Niagara Regional Police Services	1,023.0	1,023.0
Sub-Total Boards and Agencies	**1,149.1**	**1,149.1**
Total Regional (Tax Supported)	**3,384.5**	**3,386.6**
Water Treatment	100.0	100.0
Wastewater Treatment	128.6	131.6
Waste Management	33.6	33.6
Sub-Total	**262.2**	**265.2**
Grand Total	**3,646.7**	**3,651.8**

* Advised for in year FTE approval





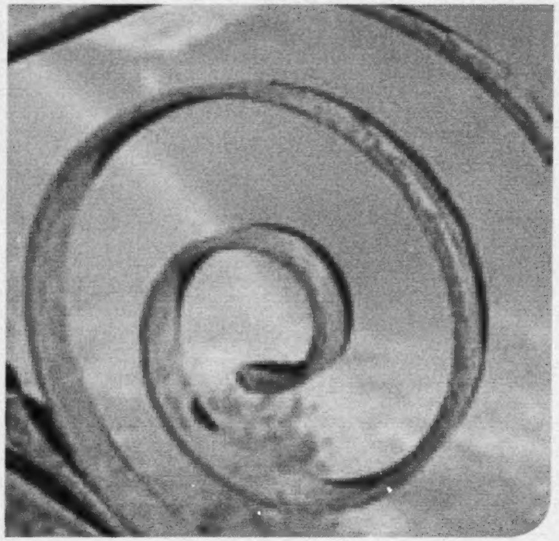
GUIDANCE OVERVIEW

Our guidance policy is based on the premise that, outside of best efforts to reduce budgets and minimize the potential of annual increases, a framework is provided that sets a ceiling for annual budgets - tied directly to economic factors in our community.

In our annual and multi-year budgeting, guidance sets a financial target to ensure practical and cautious use of taxpayer dollars. This direction is provided at the beginning of the budget process, typically in early June of each year. Guidance applies to all departments, boards and agencies; however the focus is to ensure that Niagara Region Police Services (NRPS), representing 45.3 per cent of the tax levy, meets the target, and all other Niagara Region departments and boards meet the target in aggregate.

The policy itself establishes guidance by taking the annual inflationary pressures regarding goods and services we purchase (we use the Bank of Canada's Core Consumer Price Index (CPI) target), plus our forecast assessment growth in a given year from new properties.

The goal is to ensure that budgets brought forward are considered affordable to the average taxpayer.



2013 BUDGET

We use our budget as a means of allocating resources to provide services, and maintain the infrastructure that residents and businesses of the Niagara Region depend on.

Our operating budget process begins in March of each year, running through to December. Unlike some other levels of government, our municipal budget year mirrors the calendar year, running from January to December. While the budget is approved in December, final tax rates are not set until the February of the following year as the Municipal Property Assessment Corporation (MPAC) uses December to finalize property assessments. Historical residential, commercial and industrial tax rates are as follows:

	Residential	**Commercial**	**Industrial**
2008	0.691%	1.22%	1.82%
2009	0.669%	1.18%	1.76%
2010	0.637%	1.12%	1.68%
2011	0.601%	1.06%	1.58%
2012	0.593%	1.04%	1.56%

The operating budget provides for the everyday operation of our services. It includes salaries and benefits, the purchase of services from other groups, companies or agencies, along with costs for repairs and maintenance, materials and supplies. It would be the equivalent of your personal budget for groceries, a morning coffee, lunch and gas for your vehicle.

The budget process requires each department, board and commission to review their existing budgets in comparison to historical spending. This process is supported by our quarterly variance forecasting process. The quarterly issue reports can be found at: http://niagararegion.ca/business/finance/quarterly-reports/default.aspx. In addition to a review of prior spending patterns, adjustments are made for known process improvements and efficiencies, the economic indicators of the community, and business plans of the corporation as set out by Regional Council.

Department budgets are completed in early September and presented and reviewed by Council over a three month period, concluding with approval in December.

CAPITAL BUDGET

Our capital budget has the same timeframe as that of our operating budget, with a common goal of balancing our immediate and future needs with affordability. Capital projects and assets include such things as vehicles, roads, bridges, water lines, buildings, software systems, and equipment. In your personal financing, it would be the equivalent of the purchase of large items such as a house or car where you may not readily have the available cash to buy the product outright, and often have the need to finance these purchases through other means (such as a mortgage, or loan).

Similarly, at the Region we use various forms of financing to support our capital plan, and this includes debt financing, dollars from other levels of government, reserves (accumulated from previous planning), the levy (current year taxes), etc.

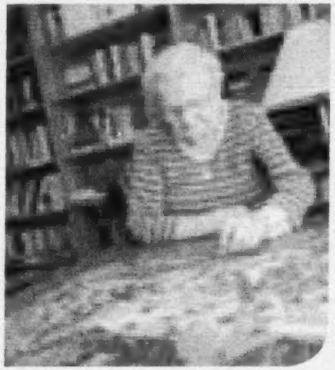
At the Region debt financing is proposed in an extremely conservative manner, with no more than .10 cents of every own source revenue dollar being spent on financing the debt from capital projects.

The bulk of our capital spend occurs in our Public Works area (transportation, water and wastewater divisions), and to a smaller extent in Corporate Services (properties and information technology), Community Services (seniors homes), and Public Health (emergency medical services).

To create our capital budget, we rely on a number of key pieces of information, most importantly a current inventory of our capital assets and the condition of those assets. In addition to those two key pieces of information, we create multi-year plans (See Capital Budget Visualization Tool - www.niagararegion.ca/government/budget/capital-budget-mapping-tool.aspx) for our future needs based on forecasted residential and business growth and on how we plan on financing those projects.

We rely on five key areas when evaluating when, where and if capital projects need to move forward. These are based on the business case for each project, which highlights whether its need is based on risk, sustainability, growth, enhancement or compliance.

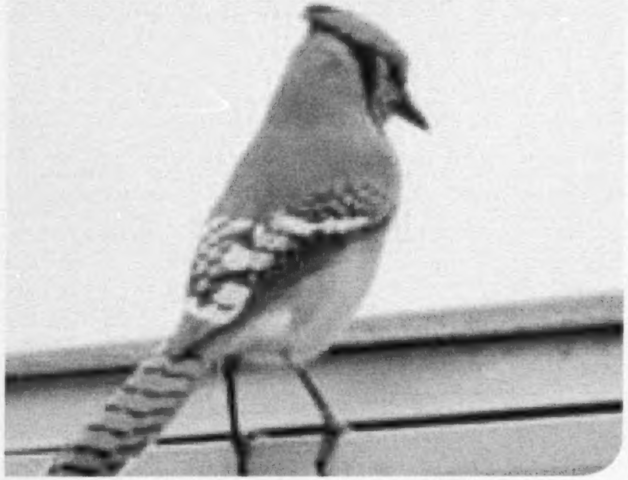
Once all of this information is brought together, Council makes informed decisions on the projects put before them, approving the capital budget in December of each year.

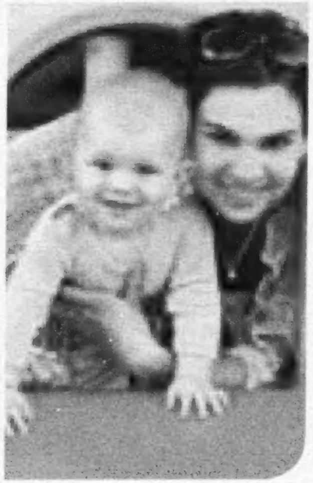


CONSOLIDATED 2013 BUDGET

	2012	2013	Change
REVENUE			
Levy Tax	311,499,180	318,942,420	7,443,240
Rate Requisition	105,069,066	107,667,184	2,598,118
Grants	221,863,191	235,080,019	13,216,828
Fees & Service Charges	69,647,404	71,743,328	2,095,924
Waste Management Revenue	11,791,444	10,272,243	(1,519,201)
Niagara Regional Housing	22,051,396	24,912,703	2,861,307
POA	9,076,049	8,825,603	(250,446)
Other Revenue	17,533,353	17,252,486	(280,867)
Transfers to/from Reserves	10,785,486	8,941,587	(1,843,899)
Total Revenue	**779,316,569**	**803,637,573**	**24,321,004**
EXPENSE			
Departments	361,535,547	376,739,752	15,204,205
Police	135,674,528	140,143,820	4,469,292
Boards & Agencies	62,283,238	65,018,088	2,734,850
General Government	67,869,934	70,115,656	2,245,722
Other Funding	6,875,000	6,875,000	-
Rates	145,078,322	144,745,257	(333,065)
Total Expenses	**779,316,569**	**803,637,573**	**24,321,004**
NET SURPLUS/(DEFICIT)	-	-	-
Public Sector Accounting Board (PSAB) Reporting Requirements			
Capital Program Funding earned in year	87,634,000	117,225,000	29,591,000
Capital Projects not resulting in tangible capital assets	(10,000,000)	(10,000,000)	-
Amortization	(62,000,000)	(64,000,000)	(2,000,000)
Principal Debt Repayment	27,958,000	25,479,000	(2,479,000)
Landfill Liability	4,100,000	1,300,000	(2,800,000)
Employee future benefits	(4,100,000)	(4,300,000)	(200,000)
Net PSAB Surplus	**43,592,000**	**65,704,000**	**22,112,000**

The Niagara Region, like most municipalities, does not budget for amortization and its annual impact on tangible capital assets, changes in the employee future benefit liabilities, and changes in the solid waste landfill closure and post closure costs liability. These items are required to show the Niagara Region's net financial position for Public Sector Accounting Board reporting purposes, but are mostly non-cash items and therefore not included in the operating budget presented. As demonstrated by the nil net surplus/(deficit) the operating budget prepared and presented includes all cash required by the Niagara Region to fulfill it's in year obligations and provide service in year. In accordance with Ontario Regulation 284/09 the Niagara Region must report to Council the impact of non-budgeted items on the 2013 budget during the budget process. For the 2013 budget cycle this was presented in report CSD 135-2012. If these non-budgeted items were included in the annual operating budget it would result in an estimated net surplus of $65.7 million in 2013.





2013 OPERATING BUDGET REVENUE SUMMARY

DESCRIPTION		2012 Budget $	2013 Budget $	2013 Change $
Levy	Levy	(294,544,180)	(303,105,214)	(8,561,034)
	Payments in Lieu	(12,740,000)	(11,622,206)	1,117,794
	Supplemental	((4,215,000)	(4,215,000)	
Subtotal Levy		**(311,499,180)**	**(318,942,420)**	**(7,074,240)**
Rates Requisitions	Wastewater	(63,042,626)	(65,405,802)	(2,363,176)
	Water	(42,026,440)	(42,261,382)	(234,942)
	Waste	(34,000,728)	(34,951,034)	(950,306)
Subtotal Rate		**(139,069,794)**	**(142,618,218)**	**(3,548,424**
Grants		(221,863,191)	(235,080,019)	(13,216,828)
Fees & Service Charges		(57,698,072)	(61,704,997)	(4,006,925)
Investment Income		(12,325,000)	(11,832,333)	492,667
Waste Management Revenue		(11,791,444)	(10,272,243)	1,519,201
Provincial Offences Act Revenue		(9,076,049)	(8,825,603)	250,446
Other Revenue		(5,208,353)	(5,420,153)	(211,800)
Transfers from Reserves & Reserve Funds		(10,785,486)	(8,941,587)	1,843,899
		(779,316,569)	**(803,637,573)**	**(24,321,004)**

GRANTS:

	2013 Budget
Corporate Services	(12,500)
Community Services-Homes	(1,556,433)
Community Services	(173,039,541)
Public Works	(546,203)
Waste Management	(3,376,715)
Public Health	(29,730,098)
EMS	(21,665,706)
NRPS LTA Financing	(912,000)
Police Service & Board	(4,240,823)
Total Grants	**(235,080,019)**

FEES & SERVICE CHARGES:

	2013 Budget
Corporate Services	(145,101)
ICP	(80,000)
Niagara Regional Housing	(24,912,703)
Community Services	(23,003,734)
Public Works	(2,997,600)
Water & Wastewater	(1,098,000)
Waste Management	(2,736,092)
Public Health	(193,000)
Police Service & Board	(6,538,767)
Total Fees & Service Charges	**(61,704,997)**

OTHER REVENUE:

	2013 Budget
Capital Assets Revenue	(548,000)
Public Works	(803,400)
Public Health	(697,772)
Water- Wastewater	(308,780)
Other	(845,489)
Corporate Services	(561,766)
Police Service & Board	(1,654,946)
Total Other Revenue	**(5,420,153)**

TRANSFERS FROM RESERVES & RESERVE FUNDS:

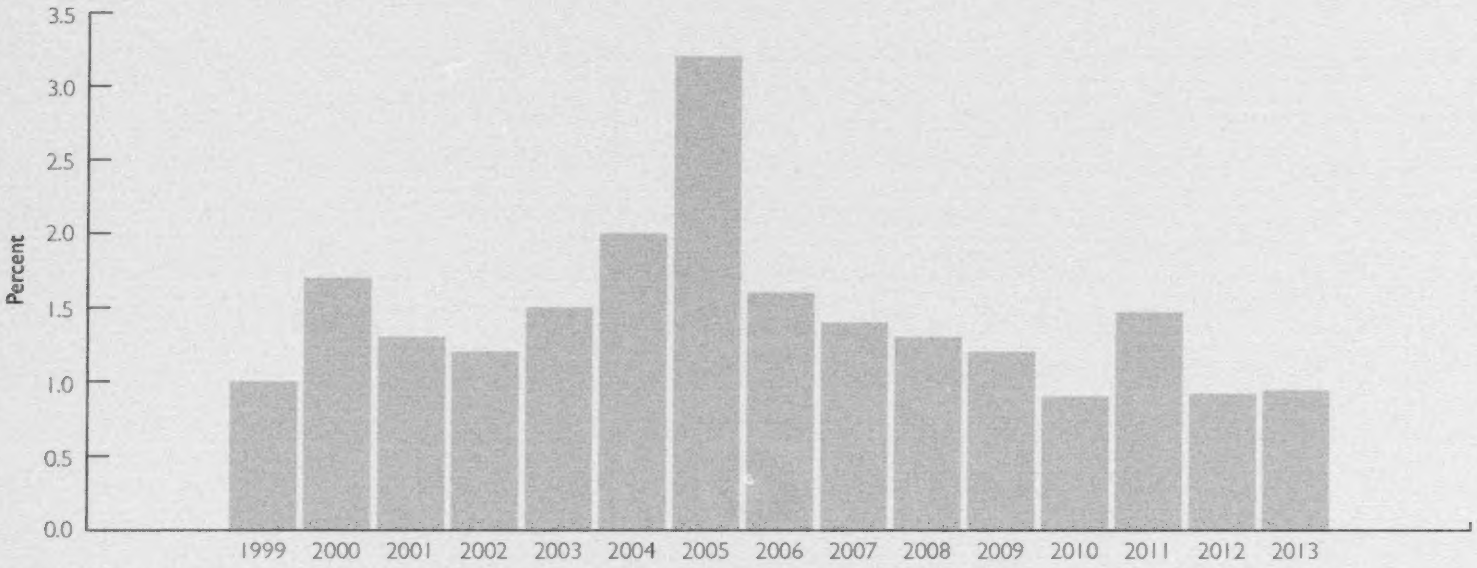
	2013 Budget
Taxpayer Relief	(1,725,000)
CERT	(41,850)
NPCA	(300,000)
NRH	(95,000)
NEDC	(150,000)
Corporate Services	(2,034,631)
ICP	(126,915)
Community Services	(1,850,524)
Sick Leaves	(250,000)
Public Works	(800,000)
Police Service & Board	(575,000)
1812 Legacy Council	(100,000)
Investment Income	(492,667)
Investment Income Stabilization	(400,000)
Total Tranfser From Reserves and Reserve Funds	**(8,941,587)**

MULTI-YEAR BUDGET

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	308,191,646	320,289,199	328,485,273	336,311,729
Administrative Expenses	6,478,374	6,766,064	6,896,212	6,929,225
Materials, Supplies & Utilities	29,151,860	29,865,096	31,040,892	32,054,820
Repairs & Maintenance	10,193,950	10,272,617	10,594,236	10,798,689
Purch. Serv. & Other Operating Exp	73,005,252	76,997,305	75,208,343	76,158,851
Social Assistance	95,647,217	98,641,329	102,925,718	106,916,895
Financial Expenditures	58,650,995	55,426,514	56,538,952	57,358,907
Capital Equipment & Renovations	1,768,468	1,583,451	1,610,189	1,631,648
Interfunctional Chargebacks/Recoveries				-
Housing Provider Subsidy & Supplements	26,618,221	28,649,595	28,640,591	27,456,990
Transfers to Reserves & Reserve Funds	28,684,141	34,786,166	36,056,195	37,497,776
Allocations Between Departments	(2,085,459)	(2,117,488)	(2,174,583)	(2,287,328)
Allocations Within Departments	(1,078,468)	(1,118,032)	(1,145,514)	(1,173,222)
Allocations to Capital Program	(987,950)	(1,149,500)	(1,100,338)	(1,123,660)
Gross Expenditures	**634,238,247**	**658,892,316**	**673,576,166**	**688,531,320**
Taxation - Levy	(16,955,000)	(15,837,206)	(15,837,206)	(15,837,206)
Ontario/Canada Grants	(218,037,963)	(231,703,304)	(238,175,771)	(247,062,595)
Fees & Service Charges	(31,789,029)	(32,958,202)	(27,116,270)	(27,458,773)
Other Revenue	(48,273,491)	(50,605,011)	(50,434,748)	(49,124,428)
Transfers from Reserves & Reserve Funds	(10,185,486)	(8,941,587)	(13,209,661)	(10,986,905)
Gross Revenues	**(325,240,969)**	**(340,045,316)**	**(344,773,656)**	**(350,469,907)**
Expenditure before Indirect Allocation	**308,997,278**	**318,847,006**	**328,802,510**	**338,061,413**
Indirect Allocation	(2,277,485)	(4,218,666)	(4,579,749)	(4,784,237)
Debt Allocation	(12,175,613)	(11,523,126)	(11,415,303)	(11,434,922)
Net Indirect Allocation	**(14,453,098)**	**(15,741,792)**	**(15,995,052)**	**(16,219,159)**
Net Expenditure/(Revenue) after Indirect Allocation	**294,544,180**	**303,105,214**	**312,807,458**	**321,842,254**
Tax Levy		**2.91%**	**3.20%**	**2.89%**
Estimated Assessment Growth *		**0.94%**		
Tax Levy After Assessment Growth		**1.97%**		

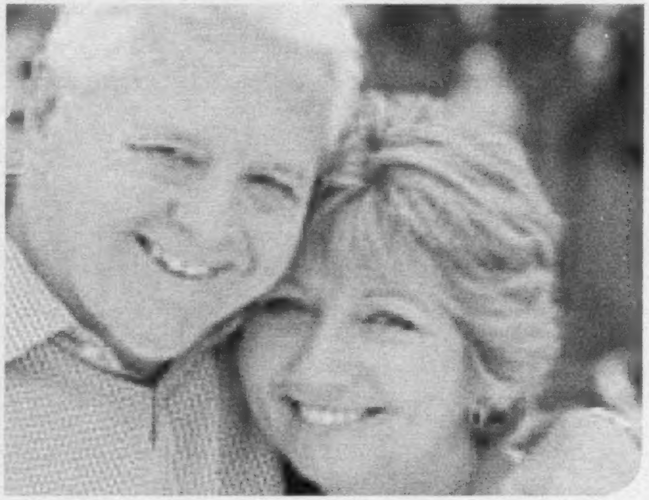
* The 2013 assessment growth is an estimate at this time. The actual growth number will not be known until June. Also the 2014 & 2015 are not yet known.

HISTORICAL ASSESSMENT GROWTH



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessment Growth	1.00%	1.70%	1.30%	1.20%	1.50%	2.00%	3.20%	1.60%	1.40%	1.30%	1.20%	0.90%	1.47%	0.92%	0.94%

* The 2013 assessment growth is an estimate at this time. The actual growth number will not be known until June. Also the 2014 & 2015 are not yet known and the chart above shows the last 15 years of assessment growth for reference.



2013 OPERATING SUMMARY BY DEPARTMENT

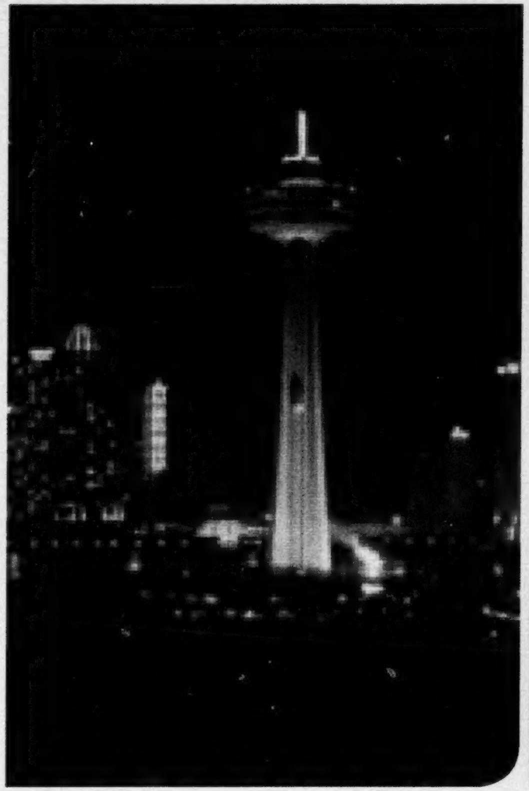
DESCIPTION	2012 Revised Gross Expenditure	2012 Revised Revenue	2012 Revised Net Expenditure	2013 Gross Expenditure	2013 Revenue	2013 Net Expenditure	2013 $ Gross Change	2013 % Gross Change	2013 $ Net Change	2013 % Net Change
Corporate Administration	2,360,511	(35,125)	2,325,386	2,323,654	(23,000)	2,300,654	(36,857)	1.56%	(24,732)	1.06%
Community Services	221,129,589	(184,842,977)	36,286,612	232,656,219	(198,237,041)	34,419,178	11,526,630	5.21%	(1,867,434)	5.15%
Corporate Services	28,018,469	(2,544,664)	25,473,805	29,036,271	(2,782,848)	26,253,423	1,017,802	3.63%	779,618	3.06%
Economic Development	1,703,377		1,703,377	1,915,053	(150,000)	1,765,053	211,676	12.43%	61,676	3.62%
Integrated Community Planning	7,589,749	(781,513)	6,808,236	7,281,900	(317,915)	6,963,985	(307,849)	4.06%	155,749	2.29%
PH: Health Programs	33,974,259	(29,459,167)	4,515,092	35,171,494	(30,620,870)	4,550,624	1,197,235	3.52%	35,532	0.79%
PH: Emergency Services	36,178,182	(21,708,432)	14,469,750	36,048,915	(21,685,706)	14,363,209	(129,267)	0.36%	(106,541)	0.74%
Public Works	30,581,411	(4,307,434)	26,273,977	32,306,246	(5,297,203)	27,009,043	1,724,835	5.64%	735,066	2.80%
Regional Departments	**361,535,547**	**(243,679,312)**	**117,856,235**	**376,739,752**	**(259,114,583)**	**117,625,169**	**15,204,205**	**4.21%**	**(231,066)**	**0.20%**
Police Services & Board	133,656,618	(13,067,583)	120,589,035	138,125,910	(14,017,536)	124,108,374	4,469,292	3.34%	3,519,339	2.92%
Police Services & Board Interim Facilities	2,017,910		2,017,910	2,017,910		2,017,910		0.00%		100.00%
Police Services & Board	**135,674,528**	**(13,067,583)**	**122,606,945**	**140,143,820**	**(14,017,536)**	**126,126,284**	**4,469,292**	**3.29%**	**3,519,339**	**2.87%**
POA	7,471,862	(9,076,049)	(1,604,187)	7,060,497	(8,825,603)	(1,765,106)	(411,365)	5.51%	(160,919)	10.03%
Niagara Regional Housing	47,954,272	(22,959,934)	24,994,338	50,910,862	(25,022,941)	25,887,921	2,956,590	6.17%	893,583	3.58%
NPCA	6,857,104	(378,607)	6,478,497	7,046,729	(402,708)	6,644,021	189,625	2.77%	165,524	2.55%
Outside Boards & Agencies	**62,283,238**	**(32,414,590)**	**29,868,648**	**65,018,088**	**(34,251,252)**	**30,766,836**	**2,734,850**	**4.39%**	**898,188**	**3.01%**
Property Assessment	5,912,113		5,912,113	6,064,054		6,064,054	151,941	2.57%	151,941	2.57%
911 Emergency Phone	1,207,888		1,207,888	1,240,540		1,240,540	32,652	2.70%	32,652	2.70%
Regional Programs & NHS Facility	941,750		941,750	1,041,750	(100,000)	941,750	100,000	10.62%		0.00%
Responsive Region	577,764	(200,000)	377,764	598,909		598,909	21,145	100.00%	221,145	58.54%
Tax Increment Financing	200,000		200,000	230,000		230,000	30,000	100.00%	30,000	15.00%
General Expenses	4,615,553	(438,550)	4,177,003	4,200,060	(718,300)	3,481,760	(415,493)	9.00%	(695,243)	16.64%
Debt Charges	45,473,349	(1,599,270)	43,874,079	47,569,029	(1,556,433)	46,012,596	2,095,680	4.61%	2,138,517	4.87%
Capital Levy	8,941,517		8,941,517	9,171,314		9,171,314	229,797	2.57%	229,797	2.57%
General Government	**67,869,934**	**(2,237,820)**	**65,632,114**	**70,115,656**	**(2,374,733)**	**67,740,923**	**2,245,722**	**3.31%**	**2,108,809**	**3.21%**
	627,363,247	**(291,399,305)**	**335,963,942**	**652,017,316**	**(309,758,104)**	**342,259,212**	**24,654,069**	**3.93%**	**6,295,270**	**1.87%**
Payments in Lieu		(12,740,000)	(12,740,000)		(11,622,206)	(11,622,206)		0.00%	1,117,794	8.77%
Tax Revenue Supp Taxes		(4,215,000)	(4,215,000)		(4,215,000)	(4,215,000)		0.00%		0.00%
Tax Revenue Written Off	5,287,857		5,287,857	5,287,857		5,287,857		0.00%		0.00%
Tax Rebates	587,143		587,143	587,143		587,143		0.00%		0.00%
General Surplus		(2,836,664)	(2,836,664)					0.00%	2,836,664	100.00%
Taxpayer Relief Reserve		(1,725,000)	(1,725,000)		(1,725,000)	(1,725,000)		0.00%		100.00%
Provincial Grant Pay Equity								0.00%		100.00%
Investment Income	1,000,000	(12,325,000)	(11,325,000)	1,000,000	(12,725,000)	(11,725,000)		0.00%	(400,000)	3.53%
Other Funding	**6,875,000**	**(33,841,664)**	**(26,966,664)**	**6,875,000**	**(30,287,206)**	**(23,412,206)**		**0.00%**	**3,554,458**	**13.18%**
	634,238,247	**(325,240,969)**	**308,997,278**	**658,892,316**	**(340,045,310)**	**318,847,006**	**24,654,069**	**3.89%**	**9,849,728**	**3.19%**
Indirect Allocation*			**(14,453,098)**			**(15,741,792)**				
Tax Levy			**294,544,180**			**303,105,214**				
						2.91%				

* This includes debt servicing costs of $11,523,127 and costs for services provided to the rate supported services of Water, Wastewater, and Waste Management

2013 OPERATING SUMMARY BY DEPARTMENT CONTINUED

DESCIPTION	2012 Revised Gross Expenditure	2012 Revised Revenue	2012 Revised Net Expenditure	2013 Gross Expenditure	2013 Revenue	2013 Net Expenditure	2013 $ Gross Change	2013 % Gross Change	2013 $ Net Change	2013 % Net Change
Self Supporting Requisitions										
SS Wastewater	56,951,534	(1,340,400)	55,611,134	58,465,243	(1,040,600)	57,424,643	1,513,709	2.66%	1,813,509	3.26%
SS Water	40,803,413	(643,379)	40,160,034	40,293,442	(443,181)	39,850,261	(509,971)	1.25%	(309,773)	0.77%
SS Waste	47,323,375	(18,477,847)	28,845,528	45,986,572	(16,385,050)	29,601,522	(1,336,803)	2.82%	755,994	2.62%
	145,078,322	**(20,461,626)**	**124,616,696**	**144,745,257**	**(17,868,831)**	**126,876,426**	**(333,065)**	**0.23%**	**2,259,730**	**1.81%**
	779,316,569	**(345,702,595)**	**433,613,974**	**803,637,573**	**(357,914,141)**	**445,723,432**	**24,321,004**	**3.12%**	**12,109,458**	**2.78%**
Indirect Allocation*			**14,453,098**			**15,741,792**				
Tax Levy and Requisitions			**433,613,974**			**445,723,432**				
						2.78%				

* This includes debt servicing costs of $11,523,127 and costs for services provided to the rate supported services of Water, Wastewater, and Waste Management



COST ALLOCATION METHODOLOGY

Full cost accounting

Historically, the Niagara Region has had a chargeback/recovery practice throughout the organization that attempted to charge programs/services for negotiated shared service costs. With the 2013 budget a full review of the Niagara Region's costing methodology for shared services was undertaken to ensure a consistent costing model was in place. As part of this review a new cost allocation methodology was developed and full details on the implications were presented in CSD 122-2012 during the budget process. The 2013 budget summary, including the results of this new cost allocation methodology, is shown on the previous two pages.

The new methodology divides support costs into categories and then allocates the cost to end programs/services based on program usage. The new model fully allocates all identified support costs to end programs or services (i.e. all of Corporate Services, all debt charges, and ICP support areas are fully allocated).

The following is a list of highlights of the new cost allocation methodology:

- Allocates all program support costs to end services/programs to approximate full costing and enable maximization of external funding
- Consistent and transparent model used to allocate all program support costs to the most appropriate beneficial recipient of the service based on rational methodology (zero sum game for program support areas)
- Identifies and segregates direct costs that are controllable by departments vs. indirect costs that are controlled by support areas
- Establishes allocation thresholds to ensure efficient use of resources
- Eliminates extra processing of direct expenses
- Establishes cost pools and drivers that strike a balance between fairness and administrative burden
- More closely aligns the internal budgeting and reporting model with the external reporting and methodology defined by the Province

The new model identifies costs that are directly controllable by an operating program or service (direct costs) and those that are not directly controllable by operating program or service but are driven based on their usage (indirect costs). During this review it was felt that in order to drive accountability for costs controlled by an operating department it was important to clearly identify, in all reporting, the net expenditure/revenue before the indirect allocation. Although departments do impact indirect costs based on their usage of related services they do not have direct oversight over these costs. The following two budget summary pages show the 2013 budget excluding the indirect cost allocation (i.e. the operating programs direct controllable costs). In order to ensure consistency and fairness in budget guidelines, 2013 budget guidance was given to departments on their controllable costs (i.e. net expenditure/revenue before indirect allocation). The 2013 departmental budget summary pages that follow throughout this booklet show the department budgets before indirect cost allocations.

The new methodology was introduced with the 2013 budget cycle and will be effective January 1, 2013. In order to facilitate the 2013 budget process and ensure comparability, the 2012 budget was restated under the new model which is presented throughout this budget booklet .

SUMMARY BY DEPARTMENT 2013 BUDGET

DESCIPTION	2012 Revised Gross Expenditure	2012 Revised Revenue	2012 Revised Net Expenditure	2013 Gross Expenditure	2013 Revenue	2013 Net Expenditure	2013 $ Gross Change	2013 % Gross Change	2013 $ Net Change	2013 % Net Change
Corporate Administration	2,715,457	(35,125)	2,680,332	2,682,709	(23,000)	2,659,709	(32,748)	1.21%	(20,623)	0.77%
Community Services	230,461,713	(184,842,977)	45,618,736	242,362,353	(198,237,041)	44,125,312	11,900,640	5.16%	(1,493,424)	3.27%
Corporate Services	2,544,664	(2,544,664)		2,782,848	(2,782,848)		238,184	9.36%		0.00%
Economic Development	2,069,462		2,069,462	2,243,913	(150,000)	2,093,913	174,451	8.43%	24,451	1.18%
Integrated Community Planning	7,921,319	(781,513)	7,139,806	7,747,065	(317,915)	7,429,150	(174,254)	2.20%	289,344	4.05%
PH: Health Programs	40,836,120	(29,459,167)	11,376,953	42,124,034	(30,620,870)	11,503,164	1,287,914	3.15%	126,211	1.11%
PH: Emergency Services	38,799,286	(21,708,432)	17,090,854	39,075,169	(21,685,706)	17,389,463	275,883	0.71%	298,609	1.75%
Public Works	51,737,249	(4,307,434)	47,429,815	54,686,815	(5,297,203)	49,389,612	2,949,566	5.70%	1,959,797	4.13%
Regional Departments	**377,085,270**	**(243,679,312)**	**133,405,958**	**393,704,906**	**(259,114,583)**	**134,590,323**	**16,619,636**	**4.41%**	**1,184,365**	**0.89%**
Police Services & Board	143,639,263	(13,067,583)	130,571,680	149,473,833	(14,017,536)	135,456,297	5,834,570	4.06%	4,884,617	3.74%
Police Services & Board Interim Facilities	2,017,910		2,017,910	2,017,910		2,017,910		0.00%		100.00%
Police Services & Board	**145,657,173**	**(13,067,583)**	**132,589,590**	**151,491,743**	**(14,017,536)**	**137,474,207**	**5,834,570**	**4.01%**	**4,884,617**	**3.68%**
POA	8,243,555	(9,076,049)	(832,494)	7,825,603	(8,825,603)	(1,000,000)	(417,952)	5.07%	(167,506)	20.12%
Niagara Regional Housing	50,710,409	(22,959,934)	27,750,475	53,989,056	(25,022,941)	28,966,115	3,278,647	6.47%	1,215,640	4.38%
NPCA	6,961,327	(378,607)	6,582,720	7,149,437	(402,708)	6,746,729	188,110	2.70%	164,009	2.49%
Outside Boards & Agencies	**65,915,291**	**(32,414,590)**	**33,500,701**	**68,964,096**	**(34,251,252)**	**34,712,844**	**3,048,805**	**4.63%**	**1,212,143**	**3.62%**
Property Assessment	5,912,113		5,912,113	6,064,054		6,064,054	151,941	2.57%	151,941	2.57%
911 Emergency Phone	1,207,888		1,207,888	1,240,540		1,240,540	32,652	2.70%	32,652	2.70%
Regional Programs & NHS Facility	941,750		941,750	1,041,750	(100,000)	941,750	100,000	10.62%		0.00%
Responsive Region	620,466	(200,000)	420,466	645,259		645,259	24,793	4.00%	224,793	53.46%
Tax Increment Financing	200,000		200,000	230,000		230,000	30,000	15.00%	30,000	15.00%
General Expenses	3,038,096	(438,550)	2,599,546	2,165,429	(718,300)	1,447,129	(872,667)	28.72%	(1,152,417)	44.33%
Debt Charges	3,390,585	(1,599,270)	1,791,315	1,556,433	(1,556,433)		(1,834,152)	54.10%	(1,791,315)	100.00%
Capital Levy	8,941,517		8,941,517	9,171,314		9,171,314	229,797	2.57%	229,797	2.57%
General Government	**24,252,415**	**(2,237,820)**	**22,014,595**	**22,114,779**	**(2,374,733)**	**19,740,046**	**(2,137,636)**	**8.81%**	**(2,274,549)**	**10.33%**
	612,910,149	**(291,399,305)**	**321,510,844**	**636,275,524**	**(309,758,104)**	**326,517,420**	**23,365,375**	**3.81%**	**5,006,576**	**1.56%**
Payments in Lieu		(12,740,000)	(12,740,000)		(11,622,206)	(11,622,206)		0.00%	1,117,794	8.77%
Tax Revenue Supp Taxes		(4,215,000)	(4,215,000)		(4,215,000)	(4,215,000)		0.00%		0.00%
Tax Revenue Written Off	5,287,857		5,287,857	5,287,857		5,287,857		0.00%		0.00%
Tax Rebates	587,143		587,143	587,143		587,143		0.00%		0.00%
General Surplus		(2,836,664)	(2,836,664)					0.00%	2,836,664	100.00%
Taxpayer Relief Reserve		(1,725,000)	(1,725,000)		(1,725,000)	(1,725,000)		0.00%		0.00%
Investment Income	1,000,000	(12,325,000)	(11,325,000)	1,000,000	(12,725,000)	(11,725,000)		0.00%	(400,000)	3.53%
Other Funding	**6,875,000**	**(33,841,664)**	**(26,966,664)**	**6,875,000**	**(30,287,206)**	**(23,412,206)**		**0.00%**	**3,554,458**	**13.18%**
	619,785,149	**(325,240,969)**	**294,544,180**	**643,150,524**	**(340,045,310)**	**303,105,214**	**23,365,375**	**3.77%**	**8,561,034**	**2.91%**
Estimated Assessment Growth										0.94%
Net Tax Levy										**1.97%**

SUMMARY BY DEPARTMENT 2013 BUDGET

DESCRIPTION	2012 Revised Gross Expenditure	2012 Revised Revenue	2012 Revised Net Expenditure	2013 Gross Expenditure	2013 Revenue	2013 Net Expenditure	2013 $ Gross Change	2013 % Gross Change	2013 $ Net Change	2013 % Net Change
Self Supporting Requisitions										
SS Wastewater	64,383,026	(1,340,400)	63,042,626	66,446,402	(1,040,600)	65,405,802	2,063,376	3.20%	2,363,176	3.75%
SS Water	42,669,819	(643,379)	42,026,440	42,704,563	(443,181)	42,261,382	34,744	0.08%	234,942	0.56%
SS Waste	52,478,575	(18,477,847)	34,000,728	51,336,084	(16,385,050)	34,951,034	(1,142,491)	-2.18%	950,306	2.79%
	159,531,420	**(20,461,626)**	**139,069,794**	**160,487,049**	**(17,868,831)**	**142,618,218**	**955,629**	**0.60%**	**3,548,424**	**2.55%**
	779,316,569	**(345,702,595)**	**433,613,974**	**803,637,573**	**(357,914,141)**	**445,723,432**	**24,321,004**	**3.12%**	**12,109,458**	**2.78%**

VIKINGBANK

2013 CAPITAL SUMMARY BY PROJECT

The total gross capital budget approved by Council is $218,252,031 and consists of 134 projects. The approved projects and related financing are as follows:

PROJECT ID	Project Name	Capital Approval	Capital Levy Reserves	Debt	Proposed Debt Term (Years)	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
			FINANCING SOURCES							
General Government										
ZGG1301	Emergency Capital Levy Program	1,000,000	1,000,000							
	General Government Total	**1,000,000**	**1,000,000**							
IT Solutions										
ZGC1302	Business Continuity	400,000	400,000							
ZGC1303	iDarts	50,000	50,000							
ZGC1304	IT Asset Replacement	1,400,000	1,400,000							
ZGC1306	Financial Management System (ERP)	12,940,000	1,408,530	2,931,470	10				8,600,000	
ZGC1307	POA Technology	100,000								100,000
ZGC1308	Mapping / Data Assessment Software	100,000	100,000							
	IT Solutions Total	**14,990,000**	**3,358,530**	**2,931,470**					**8,600,000**	**100,000**
Properties Management										
ZGD1304	Regional Building Improvement Program	2,275,000	2,275,000							
ZGD1305	Renewable Energy Program	1,000,000	9,000	991,000	10					
ZGD1306	Survey Asset Replacement	20,000	20,000							
ZGR1002	Renew EMS buildings - Long Term Accommodation Strategy	1,000,000		1,000,000	30					
	Properties Management Total	**4,295,000**	**2,304,000**	**1,991,000**						
Community Services										
ZSC1306	Bed Replacement	90,000	90,000							
ZSC1307	Capital Improvements/Replacements	166,200	166,200							
ZSC1308	Child Care Renovations	100,000	100,000							
ZSC1309	Machinery/Equipment	288,800	288,800							
ZSC1310	Northland Pointe Siding Replacement	800,000				800,000				
ZSC1311	Resident Care Equipment	205,000	205,000							
	Community Services Total	**1,650,000**	**850,000**			**800,000**				
Public Health & EMS										
ZGR1302	Ambulance and Equipment Replacement	2,086,979		2,086,979	5					
	Public Health & EMS Total	**2,086,979**		**2,086,979**						
Fleet										
ZSS1302	Vehicle & Equipment Replacement Program	4,374,000				4,374,000				
	Fleet Total	**4,374,000**				**4,374,000**				
Transportation										
ZRC0227	Cpcty. Imprv. - Fourth Ave. widening 2 to 4/5 lanes from Vansickle Rd. to Third St	1,800,000		1,200,000	30		600,000			
ZRC0236	Rds Rehab - St. Paul Street West - Realignment & River Crossing from Ninth St to Seventh St	550,000		550,000	30					
ZRC0539	Rds Rehab - Stanley Avenue reconstruction - from Thorold Stone Rd to Valley Way	3,900,000		450,000	30			950,000	500,000	
ZRC0627	Cpcty. Imprv. - Martindale Rd - EA & Detailed Design from Elderwood to QEW	500,000		400,000	30		100,000			

2013 CAPITAL SUMMARY BY PROJECT

FINANCING SOURCES

PROJECT ID	Project Name	Capital Approval	Capital Levy Reserves	Debt	Proposed Debt Term (Years)	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
Transportation										
ZRC0803	Rds Rehab - Glendale Ave reconstruction & widening from Jacobsen Ave to Burleigh Hill	1,000,000	250,000						750,000	
ZRC0816	Cpcty. Imprv. - Thorold Stone Rd. new 4 lane Rd from Extension east of Stanley Ave	2,500,000	200,000				300,000	2,000,000		
ZRC0912	Cpcty. Imprv. - Casablanca Blvd widening 2 to 4/5 lanes from Livingston to QEW	250,000	150,000				100,000			
ZRC0933	Cpcty. Imprv. - McLeod Rd widening 4 to 5 lane from Phase 1 - Montrose, Pinoak to HEPC	2,600,000		800,000	30		700,000	1,100,000		
ZRC0934	Rds Rehab - Mountain St reconstruction from Hill Side to King St	500,000		500,000	30					
ZRC0940	Cpcty. Imprv. - New Hwy 406 interchange from Interchange at First / Third	3,000,000		1,828,000	30		1,172,000			
ZRC0944	Struc Rehab - Burgoyne Bridge - Replacement Over Hwy 406 & 12 Mile Creek (Str. 081220)	59,000,000		16,627,666	30		3,539,000	2,500,000		36,333,334
ZRC1003	Rds Rehab - Main Street reconstruction from Phase 2 Third St to Henley	500,000		500,000	30					
ZRC1006	Rds Rehab - Niagara St reconstruction from Vine to Carlton	2,500,000		2,100,000	30			400,000		
ZRC1009	Rds Rehab - Old Hwy 20 embankment/ drainage improvements from Pelham St to Haist St	1,000,000		500,000	30			500,000		
ZRC1016	Int. Imprv. - Niagara Stone Rd @ Concession 6 (Roundabout)	2,200,000		300,000	30				1,900,000	
ZRC1151	Rds Fac Prgm - Pelham Patrol Yard	200,000	200,000							
ZRC1155	Rds Rehab - Killaly Street West reconstruction from King Street to Steele Street	5,900,000		4,200,000	30			1,700,000		
ZRC1236	Cpcty. Imprv. - New Escarpment Crossing	350,000	150,000				200,000			
ZRC1241	Rds Rehab - Canborough Road reconstruction from Townline Rd to Regional Road 20	5,400,000		3,923,000	30		277,000	1,200,000		
ZRC1333	Annual - Development Related Projects	1,000,000								1,000,000
ZRC1334	Annual - Engineering for future projects	200,000	200,000							
ZRC1335	Annual - Guide Rail Improvement Program	350,000		350,000	10					
ZRC1336	Annual - Illumination Installation	300,000		300,000	10					
ZRC1337	Annual - Major Culvert Replacement Program	50,000	50,000							
ZRC1338	Annual - Miscellaneous Road Properties	200,000	200,000							
ZRC1339	Annual - Railway Crossing Improvement	50,000	50,000							
ZRC1340	Annual - Sign Processing Equipment	30,000	30,000							
ZRC1341	Annual - Storm Sewer Program	400,000		400,000	30					
ZRC1342	Annual - Transportation Master Plans	800,000	87,000				313,000	300,000		
ZRC1343	Cpcty. Imprv. - New West St. Cath Grade Separation (Louth/Vansickle/First/St. Paul W)	500,000	200,000				100,000	200,000		
ZRC1344	Cpcty. Imprv. - Niagara Stone Road widening 2 to 3 lanes from Virgil to East/West Line	350,000	250,000				100,000			
ZRC1345	Int. Imprv. - Lundy's Lane @ Kalar Road (Rebuild Signal & turning lanes)	800,000		284,000	10				500,000	16,000

2013 CAPITAL SUMMARY BY PROJECT

	Project Name	Capital Approval	Capital Levy Reserves	Debt	Proposed Debt Term (Years)	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
PROJECT ID			FINANCING SOURCES							
Transportation										
ZRC1346	Int. Imprv. - Regional Road 20 Roundabouts @ Industrial Park Road & South Grimsby Rd 6	350,000		350,000	30					
ZRC1347	Int. Imprv. - Woodlawn Road @ Hwy 406 (Illumination - MTO Cost Sharing)	810,000		810,000	10					
ZRC1348	Rds Equip Prgm - Equipment Replacement Upgrades	100,000				100,000				
ZRC1349	Rds Equip Prgm - Mobile Solutions	150,000	150,000							
ZRC1350	Rds Rehab - Bridge Street from Victoria Ave to Erie (Cost Share with City)	300,000		300,000	10					
ZRC1351	Rds Rehab - Canborough Road - Embankment stab & road reconstruction from Baldwin Road to Coffey Bridge	500,000		500,000	30					
ZRC1352	Rds Rehab - Lakeshore Rd (Phase 2) - reconstruction from Lakeport to Lake StreeT	750,000	150,000						600,000	
ZRC1353	Rds Rehab - Lakeshore Rd (Phase 3) - reconstruction from Lake St to Geneva & Bradmon Dr to O'Mara	250,000	250,000							
ZRC1354	Rds Rehab - Lakeshore Rd West reconstruction from Third Street to Seventh Street	500,000		500,000	30					
ZRC1355	Rds Rehab - Roads Resurfacing Program	6,100,000		6,100,000	10					
ZRC1356	Rds Rehab - St. David's Road operational Improvements & Bike Lanes from Merrittville Hwy to Hwy 406	400,000		400,000	30					
ZRC1357	Struc Rehab - Bowen Rd @ QEW - Cost sharing with MTO	500,000	500,000							
ZRC1358	Struc Rehab - Main Street Bridge (Str. 027220) - Painting over abandoned Welland Canal	300,000		300,000	10					
ZRC1359	Struc Rehab - Structural Rehabilitation Program Construction (Region Wide)	1,000,000		1,000,000	10					
ZRC1360	Cpcty. Imprv. - Livingstone Ave. - new 2 lane road from Casablanca to Regional Rd 81	250,000	150,000				100,000			
ZRT1303	Annual - Traffic Signal Program (Signal Rehab 1.2M, New Signals 450K, Beacons 40K)	1,690,000		1,690,000	10					
	Transportation Total	**112,630,000**	**3,317,000**	**47,162,666**		**100,000**	**7,601,000**	**10,850,000**	**6,250,000**	**37,349,334**
Economic Development										
ZPL1302	Rehabilitate and extend an existing municipal owned freight rail line in Port Colborne	350,000	350,000							
	Economic Development Total	**350,000**	**350,000**							
Integrated Community Planning										
ZPL1301	Lakefront Enhancement Strategy Implementation	1,000,000		1,000,000	30					
	Integrated Community Planning Total	**1,000,000**								
Niagara Regional Housing										
ZRH1302	Building Capital	1,439,733		800,210	10	122,685				516,838
ZRH1303	Emergency Capital	200,000				200,000				
ZRH1304	Grounds Capital	521,700		500,364	10	21,336				
ZRH1305	Units Capital	1,983,619		1,344,095	10	122,685				516,839
	Niagara Regional Housing Total	**4,145,052**		**2,644,669**		**466,706**				**1,033,677**

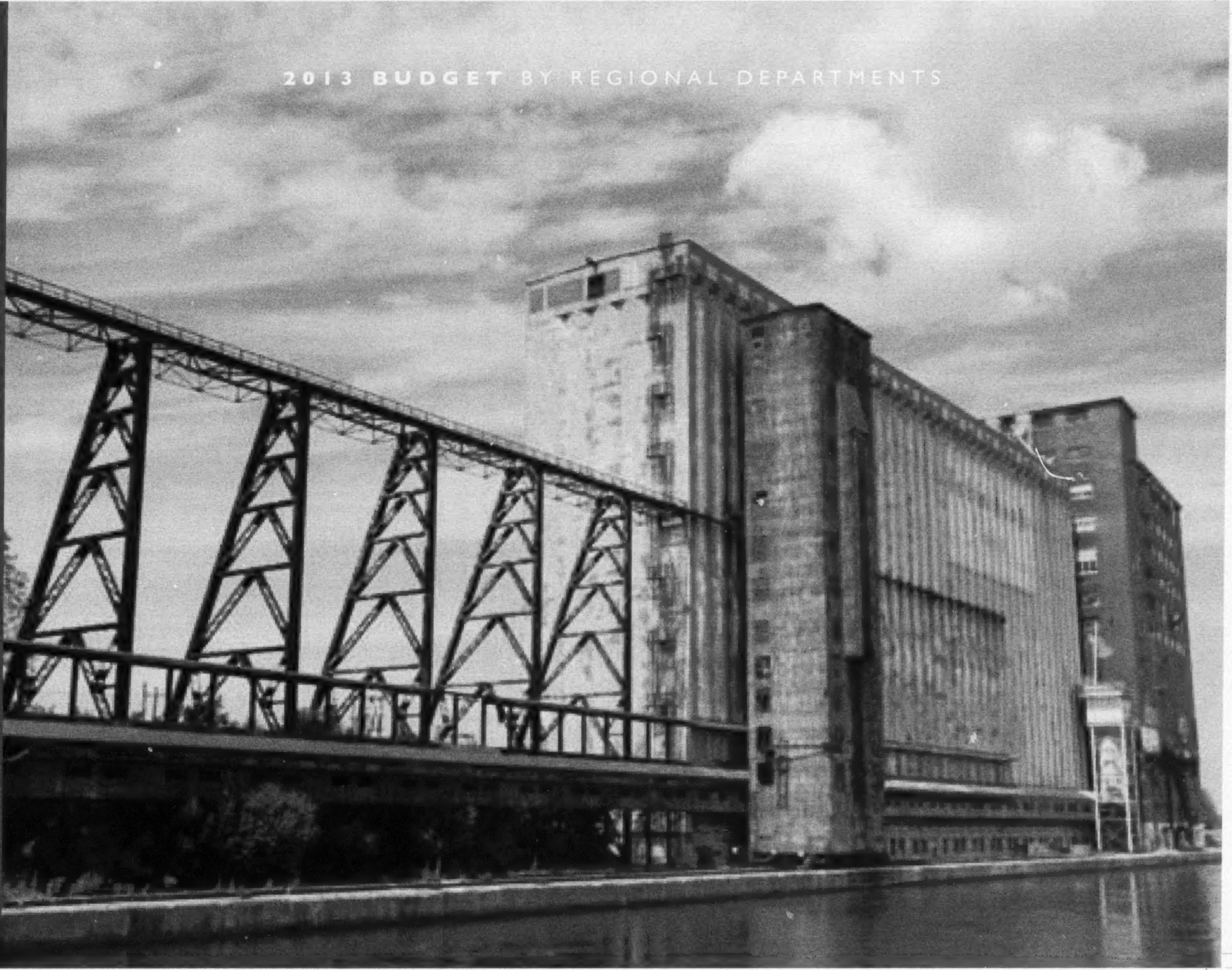
2013 CAPITAL SUMMARY BY PROJECT

	Project Name	Capital Approval	Capital Levy Reserves	Debt	Proposed Debt Term (Years)	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
PROJECT ID			FINANCING SOURCES							
Niagara Regional Police Service										
ZP01307	Capital Asset Acquisitions	44,000				44,000				
ZP01308	IT Equipment Replacement	800,000				800,000				
ZP01309	Network Infrastructure	100,000				100,000				
ZP01310	Vehicles	1,600,000				1,600,000				
ZP01311	Voice Radio System	15,000,000		15,000,000	10					
	Niagara Regional Police Service Total	**17,544,000**		**15,000,000**		**2,544,000**				
Waste Management										
ZGL1215	Humberstone - Discharge Capacity Upgrade	300,000				300,000				
ZGL1314	Annual Program - Leachate Seep Remediation	50,000				50,000				
ZGL1315	Annual Program - Property Acquisition	200,000				200,000				
ZGL1316	Annual Program - Pump Station Rehabilitation and Upgrades	100,000				100,000				
ZGL1317	Annual Program - Well Installation/Removal	100,000				100,000				
ZGL1318	Bridge Street - Public Drop Off Depot Improvements	75,000				75,000				
ZGL1319	Glenridge Quarry- Leachate Collection System Upgrades	100,000				100,000				
ZGL1320	Humberstone - Access Road and Public Drop-off Centre (PDC) Paving	350,000				350,000				
ZGL1321	Humberstone - Storm Pond Valves	50,000				50,000				
ZGL1322	Line 5 - Leachate Collection System Upgrades	100,000				100,000				
ZGL1323	Mountain Road - Constructed Wetlands /Storm Pond Expansion	60,000				60,000				
ZGL1324	NR 12 - New Scales	150,000				150,000				
ZGL1325	Quarry Road - Site Improvements	50,000				50,000				
ZGL1326	Recycling Centre - Facility Improvements	1,297,000				1,297,000				
	Waste Management Total	**2,982,000**				**2,982,000**				
Water										
ZCW0405	WM Prgm - Watermain replacement on Collier Rd.	4,500,000				4,500,000				
ZCW1110	WM Prgm - Watermain Replacement Farr Ave / Highland Ave.	2,000,000				2,000,000				
ZCW1112	WTP Upgrade Prgm - Grimsby WTP Upgrade - Building Structure Upgrade	3,500,000				3,500,000				
ZCW1210	WTP Upgrade Prgm - Grimsby WTP Upgrade - Mechanical (High Lift) Upgrades	1,200,000				1,200,000				
ZCW1301	Misc Prgm - Elevated Tank painting program	2,000,000				2,000,000				
ZCW1302	Misc Prgm - Grimsby System Storage	250,000				125,000	25,000			
ZCW1303	Misc Prgm - Master Meter Replacement Program	200,000				200,000				
ZCW1304	Misc Prgm - Port Colborne Storage	800,000				480,000	320,000			
ZCW1305	Misc Prgm - Reservoir & Storage Upgrades Program.	500,000				500,000				
ZCW1306	Misc Prgm - Stevensville Reservoir and Pump Station expansion	275,000				137,000	138,000			
ZCW1307	Misc Prgm - Valve Chamber Upgrade Program	750,000				750,000				
ZCW1308	WM Prgm - Martindale Watermain approximately 600m stretch	150,000				150,000				
ZCW1309	WM Prgm - Martindale Watermain crossing the J.R. Stork Bridge	500,000				500,000				

2013 CAPITAL SUMMARY BY PROJECT

PROJECT ID	Project Name	Capital Approval	Capital Levy Reserves	Debt	Proposed Debt Term (Years)	Reserves	Development Charges	Area Municipality	Federal Gas Tax	Other External
					FINANCING SOURCES					
Water										
ZCW1310	WM Prgm - St. David's Watermain Condition Assessment	300,000				300,000				
ZCW1311	WM Prgm - Watermain Evaluation and Replacement Program	50,000				50,000				
ZCW1312	WTP Upgrade Prgm - Grimsby WTP Upgrade - Mechanical (Valve) Upgrades	300,000				300,000				
ZCW1313	WTP Upgrade Prgm - Niagara Falls WTP upgrade	250,000				250,000				
ZCW1314	WTP Upgrade Prgm - Port Colborne WTP Upgrade	600,000				600,000				
ZCW1315	WTP Upgrade Prgm - Roof replacement program at Water facilities	100,000				100,000				
ZCW1316	WTP Upgrade Prgm - Rosehill WTP upgrade	900,000				900,000				
	Water Total	**19,125,000**				**18,542,000**	**583,000**			
Wastewater										
ZSW0718	WWTP Upgrade Prg - Queenston WWTP Upgrade	250,000				250,000				
ZSW0806	WWTP Upgrade Prg - Welland WWTP Upgrade	250,000				250,000				
ZSW0807	WWTP Upgrade Prg - NOTL WWTP Decommissioning	250,000				250,000				
ZSW1001	WWTP Upgrade Prg - Port Weller WWTP Upgrade	1,000,000				1,000,000				
ZSW1302	Manhole Rehabilitation Program	150,000				150,000				
ZSW1303	Misc Prgm - Biogas Utilization	1,200,000				1,200,000				
ZSW1304	Misc Prgm - Roof Replacement Program	250,000				250,000				
ZSW1305	Misc Prgm - Solids Meters	600,000				600,000				
ZSW1306	PS Improvement Program (Design / Construction)	9,250,000				9,250,000				
ZSW1307	Sewer & Forcemain Prgm - Confederation Heights P.S. Forcemain Replacement	500,000				500,000				
ZSW1308	Sewer & Forcemain Prgm - Jordan Valley Forcemain	750,000				750,000				
ZSW1309	Sewer & Forcemain Prgm - Old Orchard PS Forcemain	900,000				900,000				
ZSW1310	Sewer & Forcemain Prgm - Sewer Upgrade Ontario Road	1,500,000				900,000	600,000			
ZSW1311	Sewer & Forcemain Prgm - Wellandvale Forcemain	500,000				500,000				
ZSW1312	Sewer & Forcemain Prgm - Woodsview PS Forcemain	720,000				720,000				
ZSW1313	Sewer Relining Program	3,410,000				3,410,000				
ZSW1314	Wet Weather Flow/CSO Control Program	6,600,000				4,950,000	1,650,000			
ZSW1315	WWTP Upgrade Prg - Niagara Falls WWTP Upgrade	250,000				250,000				
ZSW1316	WWTP Upgrade Prg - Port Dalhousie WWTP Upgrade - Laneway Upgrades	1,500,000				1,500,000				
ZSW1317	WWTP Upgrade Prg - Port Weller Fine Bubble Aeration	1,000,000				1,000,000				
ZSW1318	WWTP Upgrade Prg - SCADA and Instrumentation Upgrade program	250,000				250,000				
ZSW1319	WWTP Upgrade Prg - WWTP Digester / Sludge Management Program	1,000,000				1,000,000				
	Wastewater Total	**32,080,000**				**29,830,000**	**2,250,000**			
Grand Total		**218,252,031**	**11,179,530**	**72,816,784**		**59,638,706**	**10,434,000**	**10,850,000**	**14,850,000**	**38,483,011**

2013 BUDGET BY REGIONAL DEPARTMENTS



CORPORATE ADMINISTRATION (CA)

Department Overview

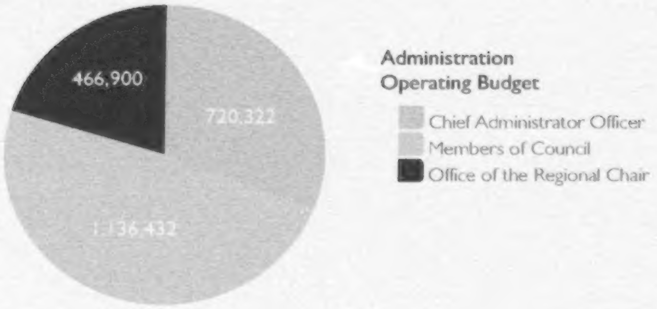
The Corporate Administration budget comprises Regional Councillors along with the Offices of the Regional Chair and Chief Administrative Officer. Combined, these groups provide political and executive management of the Corporation and its many programs and services.

The Municipal Act 2001 defines the major responsibilities of these executive management functions as:

- Council sets priorities and approves related policies and programs
- The Regional Chair acts as the Region's Chief Executive Officer, presiding over Council and providing political leadership, and
- The Chief Administrative Officer serves as Council's principle advisor with executive management accountabilities for carrying out Council's direction by ensuring appropriate internal capacity (staff skills, deployment and budget) and community partnerships in order to deliver effective regional programs and services.

CA: BUDGET SUMMARY

Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	1,982,921	1,972,507	2,020,636	2,081,285
Administrative Expenses	177,865	187,186	188,436	195,336
Materials, Supplies & Utilities	42,580	31,350	32,150	35,850
Repairs & Maintenance	200	-	50,150	-
Purch. Serv. & Other Operating Exp.	150,650	123,450	84,000	133,850
Capital Equipment & Renovations	2,295	1,750	1,750	1,900
Interfunctional Chargebacks/Recoveries	-	-	-	-
Allocations Between Departments	4,000	7,411	7,411	7,411
Allocations Within Departments	-	-	-	-
Gross Expenditure	**2,360,511**	**2,323,654**	**2,384,533**	**2,455,632**
Other Revenue	(35,125)	(23,000)	(23,000)	(23,000)
Gross Revenue	**(35,125)**	**(23,000)**	**(23,000)**	**(23,000)**
Expenditure before Indirect Allocation	**2,325,386**	**2,300,654**	**2,361,533**	**2,432,632**
Indirect Allocation	230,200	234,515	249,670	259,096
Debt Allocation	124,746	124,540	127,655	130,846
Net Indirect Allocation	**354,946**	**359,055**	**377,325**	**389,942**
Net Expenditure/(Revenue) after Indirect Allocation	**2,680,332**	**2,659,709**	**2,738,858**	**2,822,574**



In the last year, two key Council Business Plan priorities were executed that has seen the addition of program functions, now linked to Corporate Administration:

- Firstly an initiative to look within existing Niagara Region programs and services to improve effectiveness and reduce costs through a series of program reviews. This objective is now being pursued through the establishment of the Responsive Region Improvement Team (RRIT), and reports administratively to the Regional Chair and takes program and policy direction from the Audit Committee.
- To complement the RRIT, Council's Open for Business objectives looks to both internal and external community partners to promote improved economic prosperity in Niagara. Derived from the arms-length and now dormant Niagara Economic Development Corporation, the new Economic Development division is now accountable to Council through a direct report to the Chief Administrative Officer. Both of these functions are described separately in further detail in this publication.

CA: SUPPORTING COUNCIL BUSINESS

This year was integral for the Region in that it marked the first year of Council's new 2012 – 2015 Business Plan. The plan lays out seven strategic themes or directions all supported by a series of specific actions aimed to advance the priorities of this Council. Those priorities collectively aim to improve the quality of regional services and reduce operating costs at the same time through identifiable efficiencies; facilitate business growth in Niagara in order to improve our economy, reduce poverty and increase prosperity; and ensure the way Regional government carries out its governance obligations promotes effective decision making, inter-municipal communication and collaboration, including meaningful public engagement. Of note was the high degree of agreement and consensus among councillors on the highest priorities as identified during the plan's development. The seven key themes are:

- Responsive Region
- Healthy Community
- Open for Business
- Environmentally Responsible
- Integrated Transportation System
- Governance Review
- Public Engagement and Communications

Corporate Administration establishes an effective integration of political leadership and corporate management overseeing a number of significant accomplishments in 2012 including:

- The adoption and commencement of the 2012-2015 Council Business Plan and development of a related performance management framework
- A new economic development delivery model was approved and is now being implemented, reporting directly to the CAO
- Related to our economic development objectives, Council approved a new "Community Improvement Plan" providing incentives to promote new development in the "Gateway Economic Zone and Center"
- A new Regional Transit pilot program is underway to improve mobility for our residents that integrates existing systems and expands transit routes and opportunities in Niagara
- Establishment of the Responsive Region Improvement Team
- Another successful advocacy effort at Queen's Park during 'Niagara Week'
- The commencement of a water / wastewater review in partnership with local municipalities to assess whether different delivery models can save money and improve service
- Business case completed to consolidate Niagara's four Provincial Offences Courts
- Niagara was proclaimed the "Cultural Capital of Canada" by the government of Canada in a year befitting that title, given our regional celebrations of the War of 1812
- Council branded Niagara Region as the Green Energy Capital of Canada to recognize Niagara's unique energy assets and in the pursuit and attraction of clean, renewable energy opportunities
- An enhanced public engagement strategy that included a new video and survey, public meetings, and social media mechanisms to increase public feedback on priorities for the 2013 budget, and
- Led by the Regional Chair, Council is reviewing the regional governance structure that will focus at first on improving communications between the Region and amongst local area municipalities; reducing confusion by the public and both levels of municipal government regarding respective responsibilities with the ultimate goal of improving the delivery of municipal services in Niagara, with additional work and other consideration still to be determined.

CA: BUDGET SUMMARY

The proposed 2013 budget requests a reduced allocation from 2012 based in part on actual 2012 experience predominantly through a reduced reliance on external expertise, and an internally managed Niagara Week advocacy effort. There will be no additional staffing requirements in the offices of the Chair or CAO.

Many of the initiatives listed above that commenced in 2012 will continue and be more fully implemented in 2013. Major new initiatives will be the development of a comprehensive Government Relations Strategy that goes beyond Niagara Week to include the federal government and other municipalities. It is anticipated that a dedicated effort to implementing recommendations from Council's Governance Review will also be required along with the full implementation of the new Economic Development model and continued efforts to improve relationships and partnership opportunities with local area municipalities.

CA: SUMMARY OF BUDGET DRIVERS

Personnel Costs

The Corporate Administration budget is largely personnel cost driven at 85 per cent of budget.

Governance

The budget makes some provision for implementation of related recommendations emitting from governance discussion to date, however final recommendations will better determine related costs.

Government Relations

As a broader government relations strategy is created, adopted and implemented, the scope will dictate the level and intensity of any additional or enhanced engagement with our federal and provincial partners. Advocacy efforts will be tied to the government relations strategy and related budget resources will support initiatives contained in the short and long term objectives of the strategy.

Expense Review

A pending review of policies and guidelines affecting travel, conferences and conventions for Council may result in added savings.

ECONOMIC DEVELOPMENT (ED)

Overview

The Economic Development division is the facilitator of business entry, growth and development in Niagara.

Specific functions of the division include:

- Identifying conditions that attract or impede business
- Advocating for actions that will enhance regional competitiveness
- Identifying and promoting strategic economic cluster growth, including the attraction of new investment and jobs
- Supporting actions that help existing business start up and grow

Economic Development supports business growth and economic prosperity by focusing on collaboration, sector expertise, and responsiveness to current and anticipated opportunities.

Derived from the arms-length and now dormant Niagara Economic Development Corporation, the division is accountable to Council through the Chief Administrative Officer.

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ED: SUPPORTING COUNCIL BUSINESS

Economic Development Plans

Newly formed in 2012 as part of a new model for Regional economic development approved by Council, the Economic Development division continues to focus on activities in support of Council's "Open for Business" objective.

The team responsible for developing the jobs and growth strategy for Niagara continues to be assembled. As of October 2012, five staff have been hired, including the Director, and six staff will be in place by the end of the year. The Terms of Reference for the division's Advisory Committee are being developed and the committee's first members are expected to be in place by the end of 2012.

At the same time, the division has actively pursued formal working relationships to collaborate on economic development, holding more than 30 meetings with local economic development officials, business owners and potential partners since July 2012. The division is pursuing collaboration with federal and provincial partners to enhance and leverage the Region's manufacturing cluster, finalizing a marketing plan for the region's Gateway Economic Zone, and finalizing strategic partnerships with several organizations, including Innovate Niagara, This is My Niagara and Tourism Excellence Niagara.

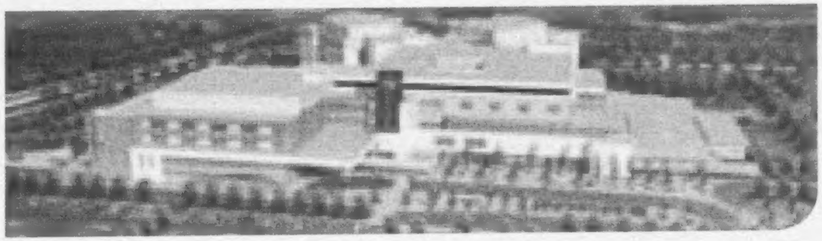
Looking beyond 2012, the division has established several key goals that support Council's job growth and prosperity objective. These include:

- Rebranding the Region as responsive to business
- Implementing major industry attraction and retention initiatives
- Supporting entrepreneurship
- Partnering in labour force initiatives including identification of short and long term employer requirements, attraction and retention and re-employment of displaced workers
- Developing and implementing, with regional partners, intelligence sharing protocols to reduce duplication and promote collaboration
- Developing and implementing performance metrics that are impact-based and both qualitative and quantitative
- Becoming the source for enhanced, high quality economic data and analysis about Niagara

ED: CAPITAL PROGRAM

Project ID	Project Description	Gross Capital Request
ZPL1302	Rehabilitate and extend an existing municipal owned freight rail line in Port Colborne	350,000
Total		**350,000**

ED: BUDGET SUMMARY



The proposed 2013 budget strikes the balance of affordability (Council guidance) while focusing resources on activities with the highest potential payback. The budget also reflects that the division has inherited a number of current commitments that may not reflect go-forward strategic priorities. Completion of the Economic Growth Strategy update later this year will provide a lens to evaluate these initiatives and their impact and contribution to the Region's economic development objectives.

The proposed 2013 budget assumes full staffing contingent of six FTE and the engagement of up to five contracted sector specialists. It includes some project funding to support Gateway Economic Zone marketing initiatives and project funding to implement the Economic Growth Strategy.

The proposed 2013 budget includes one-time monies for manufacturing cluster development, to be leveraged against possible federal or other partner funding.

Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	-	629,100	724,274	742,360
Administrative Expenses	-	60,000	61,500	62,500
Materials, Supplies & Utilities	-	13,000	14,500	16,000
Purch. Serv. & Other Operating Exp.	1,703,377	1,031,868	940,000	950,000
Financial Expenditures	-	178,000	60,000	60,000
Interfunctional Chargebacks/Recoveries				
Allocations Between Departments	-	3,085	3,085	3,085
Gross Expenditure	**1,703,377**	**1,915,053**	**1,803,359**	**1,833,945**
Transfers from Reserves & Reserve Funds	-	(150,000)	-	
Gross Revenue	**-**	**(150,000)**	**-**	**-**
Expenditure before Indirect Allocation	**1,703,377**	**1,765,053**	**1,803,359**	**1,833,945**
Indirect Allocation	201,998	191,651	204,144	211,556
Debt Allocation	164,087	137,209	140,639	144,156
Net Indirect Allocation	**366,085**	**328,860**	**344,783**	**355,712**
Net Expenditure/(Revenue) after Indirect Allocation	**2,069,462**	**2,093,913**	**2,148,142**	**2,189,657**

ED: SUMMARY OF BUDGET DRIVERS

Summary of Budget Drivers	2013	2014	2015
Previous Year	1,703,377	1,765,053	1,803,359
Savings/ Revenue Adjustments	(30,000)	(68,000)	-
+/- Other Adjustments	-		
+/- Program Changes	91,676	90,671	12,600
+ Contractual Costs	-	15,635	17,983
Current Year	**1,765,053**	**1,803,359**	**1,833,942**

Gateway Economic Zone Marketing Plan Implementation

The proposed budget assumes a full staff contingent of six FTE will be in place and that up to five contracted sector specialists will be engaged. Implementing the Gateway Economic Zone marketing plan will require the redeployment of one of these contracted resources to Gateway-related activities.

Manufacturing Cluster Strengthening

Niagara Region has applied for federal funding to support a multi-faceted manufacturing cluster initiative that would provide innovative services to assist businesses in expansion and growth and to attract new investment. If this request is successful, a co-investment by Niagara Region will be required, and one-time special projects funding of $150,000 has been identified in the proposed budget.

Collaboration with Regional Partners

23 per cent of the proposed budget is earmarked to support projects led by Niagara Region's economic development partners. These funds will support initiatives to retain youth, attract high quality jobs, foster entrepreneurship and access to capital, and support tourism development in the region.

Performance Measures

Two per cent of the proposed 2013 budget has been earmarked to develop and collect meaningful performance measurements to allow an assessment of the impact of the division's initiatives and activities on supporting, expanding and attracting business into Niagara region and on economic growth.

COMMUNITY SERVICES (COM)

Department Overview

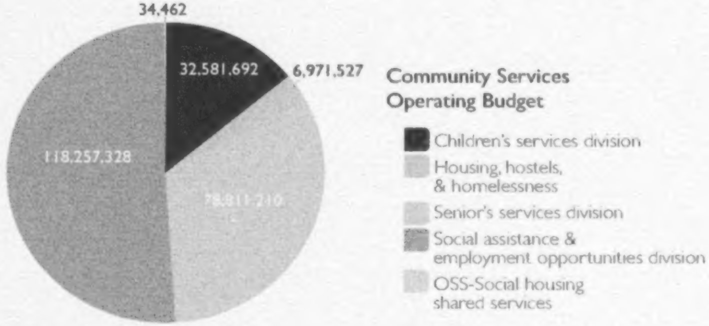
Community Services supports and advances the well-being of individuals, families and communities of Niagara by providing and supporting a wide range of community services and partnerships through three operating divisions:

Seniors Services provides services primarily for older adults and their families, including:

- The operation of eight accredited long-term care homes for nearly 1,500 people each year
- The delivery of community programs to support more than 3,100 people who live in their own home

Children's Services ensures access to a coordinated, diverse range of affordable quality services and supports for young children and families. As the service system manager for Niagara, Children's Services:

- Oversees 9,700 licensed spaces
- Directly operates five child care centres with a focus on children with special needs
- Contracts with more than 300 centre-based and home child care service providers
- Provides fee subsidies to eligible families and wage subsidies to early childhood educators
- Partners with YMCA of Niagara and 200 community organization to provide sports and cultural opportunities to eligible children and youth



Social Assistance and Employment Opportunities (SAEO) provides financial assistance and employment supports, in partnership with community agencies, to enable participants to achieve independence through sustainable employment. Specifically, SAEO is responsible for:

- Delivering the Ontario Works program for families and individuals in financial crisis
- Administering homelessness prevention programs, working with local service agencies, Niagara Regional Housing, and the Niagara Homelessness Advisory Committee
- Addressing poverty through the Niagara Prosperity Initiative, a community partnership funded by Niagara Region

COM: SUPPORTING COUNCIL BUSINESS

Community Services Plans

In addition to the core services we provide every day to help some of Niagara's most vulnerable residents, Community Services is focused on the following priorities in support of the 2012 – 2015 Council Business Plan:

Council Business Plan Goal – Healthy Communities

- Work with the Local Health Integration Networks to reduce reliance on long-term care homes for the care of frail elderly and to provide specialized community services to better care for seniors with behavioural issues
- Complete the redevelopment of Deer Park Villa, the Region's long-term care home in Grimsby

COM: BUDGET SUMMARY

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	82,962,454	86,008,168	88,244,928	90,573,973
Administrative Expenses	1,171,352	1,141,460	1,196,670	1,255,259
Materials, Supplies & Utilities	7,090,444	7,263,257	7,487,434	7,718,719
Repairs & Maintenance	1,010,596	940,196	976,963	1,015,689
Purch. Serv. & Other Operating Exp.	32,523,981	37,912,524	35,709,738	36,175,955
Social Assistance	95,647,217	98,641,329	102,925,718	106,916,895
Financial Expenditures	32,905	32,905	33,933	35,002
Capital Equipment & Renovations	521,029	520,563	534,988	549,854
Interfunctional Chargebacks/Recoveries		-		-
Transfers to Reserves & Reserve Funds	410,260	410,260	410,260	410,260
Allocations Between Departments	(240,649)	(214,443)	(221,754)	(229,550)
Allocations Within Departments		-		-
Gross Expenditure	**221,129,589**	**232,656,219**	**237,298,878**	**244,422,056**
Ontario/Canada Grants	(161,269,272)	(173,039,541)	(178,754,402)	(186,586,666)
Fees & Service Charges	(22,235,198)	(23,003,734)	(23,183,817)	(23,461,324)
Other Revenue	(400,624)	(343,242)	(343,242)	(343,242)
Transfers from Reserves & Reserve Funds	(937,883)	(1,850,524)	(1,350,524)	(1,350,524)
Gross Revenue	**(184,842,977)**	**(198,237,041)**	**(203,631,985)**	**(211,741,756)**
Expenditure before Indirect Allocation	**36,286,612**	**34,419,178**	**33,666,893**	**32,680,300**
Indirect Allocation	6,408,025	6,877,577	7,282,494	7,568,137
Debt Allocation	2,924,099	2,828,557	2,938,182	3,050,551
Net Indirect Allocation	**9,332,124**	**9,706,134**	**10,220,676**	**10,618,688**
Net Expenditure/(Revenue) after Indirect Allocation	**45,618,736**	**44,125,312**	**43,887,569**	**43,298,988**

- Continue to address poverty through the Niagara Prosperity Initiative with a focus on strengthening collaboration and partnerships among stakeholders
- Implement a Housing First demonstration project in partnership with Niagara Regional Housing to address long-term homelessness
- Work with child care and education partners to implement Phase 3 of Ontario's Full-Day Learning program for four and five year olds

Council Business Plan Goal – Responsive Region

- Continue to increase awareness and understanding of the role of Niagara Region Community Services among the social services sector through ongoing community engagement and relationship-building with senior levels of government (key founders)
- Examine options for capital improvements to long-term care homes identified by the province as in need of attention
- Manage resources and strategies to address challenges of increased demand for social assistance and to respond to changes in social assistance benefits proposed in the 2012 provincial budget
- Engage stakeholders to develop, in partnership with Niagara Regional Housing, Public Health and Integrated Community Planning, a 10-year Housing and Homelessness plan to establish housing and homelessness priorities for the next ten years

Council Business Plan Goal – Open for Business

- Continue working with Niagara employers to provide training and employment opportunities for Ontario Works participants
- Continue to partner with Brock University and Niagara College by providing training and workplace opportunities in our long-term care homes, child care centres and with other Community Services programs

COM: SUMMARY OF BUDGET DRIVERS

Seniors Services

The 2012 provincial budget included a reprioritization of provincial funding allocations. As a result, the funding received for the operation of the eight long-term care homes was significantly lower than originally indicated by the Province (one per cent to two per cent increase for the various funding envelopes compared with the original announcement of an overall three per cent increase). With the expectations for collective bargaining/arbitration awards being greater than the revenue increases, there is significant pressure to deliver the budget within guidance. To help meet the guidance target, seniors' services have set a savings target to be achieved once salary settlements are known. This will enable the division to work within Council's budget mandate while continuing to provide quality service to the residents of the long-term care homes.

Social Assistance and Employment Opportunities

The proposed budget is based on a three per cent caseload growth for 2013 and a one per cent increase in provincially-set social assistance rates. Caseload growth up to August 31, 2012 was 3.4 per cent. Since the economic downturn in Q4 of 2008, caseload has grown by 47 per cent. In addition to allowances and benefits to support caseload growth, an additional driver for the social assistance budget is in the area of travel and transportation for Ontario Works clients. This budget line has been increased by $268,000 to reflect actual travel and transportation costs related to significant caseload growth. Funds are used to assist participants with the transportation costs associated with preparing and finding employment.

Children's Services

The children's services division continues to manage the additional demand for fee subsidy for child care in Niagara through the implementation of a waitlist in 2012. The 2013 proposed operating budget assumes continued use of the waitlist to manage child care costs within the guidance target set by Council.

Phase four of full day kindergarten will be implemented in the fall of 2013 and continues to create instability among Niagara child care providers as the system adjusts to the movement of four and five-year olds into the school system and out of child care. In addition, providers continue to struggle to attract early childhood educators to deliver their programs as they compete with the school boards for these individuals. The Ministry of Education will be re-structuring the funding formulas for 2013 and beyond, and the outcome of the new model remains an unknown.

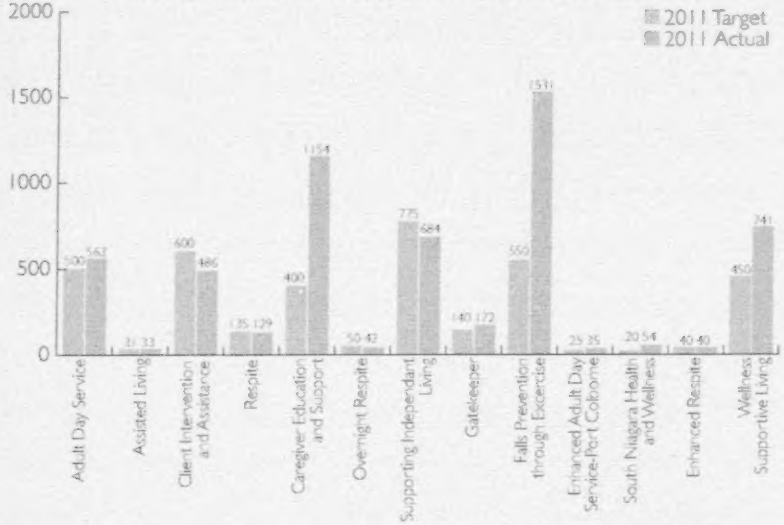
Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	36,286,612	34,419,178	33,666,893
-Savings /Revenue Adjustments			
Upload Savings	(2,906,288)	(2,712,535)	(2,712,535)
Government Grants	(8,389,810)	(4,490,225)	(4,912,308)
Fees for Service	(768,536)	(180,083)	(277,507)
+/- Other Adjustments			
Caseload Growth including Provincial rate increase	2,994,112	3,812,249	3,991,177
+/-Program Changes			
Seniors savings target	(434,753)		
Social Assistance new staffing	948,341	403,181	414,042
Ministry funding for new staffing	(474,171)	(201,591)	(207,421)
Social Assistance reserve funding for staff	(474,170)		
+Contractual Costs			
Personnel Costs	2,532,126	1,833,579	1,914,203
Goods and Services	5,105,715	783,140	802,956
Current Year	**34,419,178**	**33,666,893**	**32,680,300**

COM: VOLUME METRICS

Each division within Community Services measures performance in a range of areas as part of its commitment to continuous quality improvement.

Seniors Services (long-term care homes)

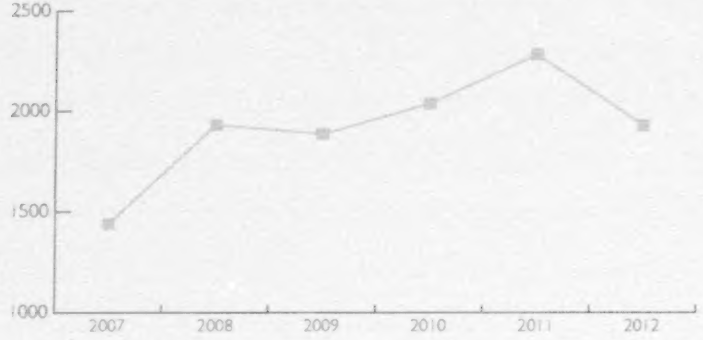
Home	Beds	Waitlist	Home Category
Deer Park Villa	39	32	A (once construction complete)
DH Rapelje Lodge	120	180	A
Gilmore Lodge	120	32	C
Linhaven	248	183	B
Woodlands of Sunset	120	153	A
Meadows of Dorchester	150	150	A
Northland Pointe	150	132	A
Upper Canada Lodge	80	22	C



Seniors Community Programs – Individuals Served in 2011

Seniors Community Programs deliver a range of services designed to enrich the lives of older adults, to help them remain in their homes longer while easing the pressure on long-term care homes and hospital emergency departments.

Children's Services

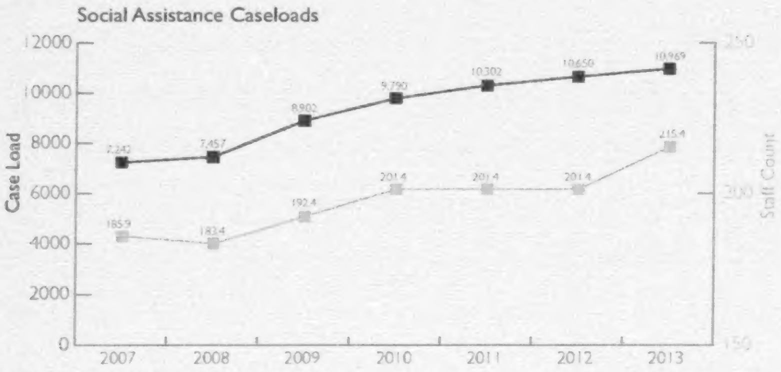


Number of Families in Receipt of a Child Care Fee Subsidy

- The number of families receiving a child care fee subsidy began increasing in September 2009
- In 2011, the number of families receiving a child care fee subsidy was on average 25 per cent higher on a monthly basis when compared with 2008 (an average increase of 446 families served on a monthly basis)
- In 2012 a wait list for fee subsidies was implemented in order to address budget pressures and the number of families serviced on a monthly basis began decreasing in March 2012

COM: VOLUME METRICS

Social Assistance and Employment Opportunities


Social Assistance Caseloads

Since 2008, social assistance caseloads have increased 47 per cent. The SAEO staff complement has increased 16 per cent over the same period. The 2013 number is an estimate. The 2012 number is an average monthly caseload based on year-to-date figures.

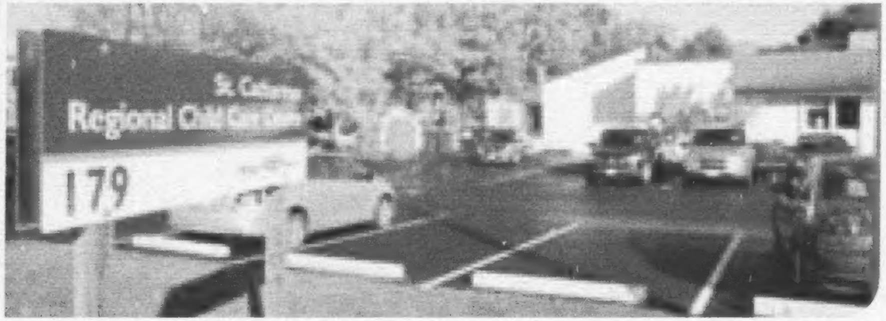
COM: CAPITAL PROGRAM

Community Services has a limited capital program for 2013 focused primarily on the Regional long-term care homes. The program also includes elements for the Regional child care centres.

There are two components of the program for the long-term care homes. The first component involves improvements to our physical assets necessary to maintain the investment in these facilities. The priority for 2013 is the Northland Pointe Siding Replacement project, to be funded from the Seniors Services Building Reserve Fund established through annual contributions from the province. The second component involves investments in machinery and equipment replacement to help ensure the safety of our residents and to help reduce the number of lost time incidents for our staff. Machinery projects include boilers, sprinkler systems, water storage tanks, roofing, parking lots, flooring and lighting. Equipment replacement projects include patient lifts, nurse call systems, kitchen and laundry equipment and an annual bed replacement program that targets five per cent of beds per year.

The capital program for the child care centres addresses concerns that may come up through regular ministry inspections, physical asset issues such as parking lots, windows and other general requirements to meet legislative expectations, and to preserve our investment in these facilities.

Project ID	Project Description	Gross Capital Request
ZSC1306	Bed Replacement	90,000
ZSC1307	Capital Improvements/Replacements	166,200
ZSC1308	Child Care Renovations	100,000
ZSC1309	Machinery/Equipment	288,800
ZSC1310	Northland Pointe Siding Replacement	800,000
ZSC1311	Resident Care Equipment	205,000
Total		**1,650,000**



CORPORATE SERVICES (CSD)

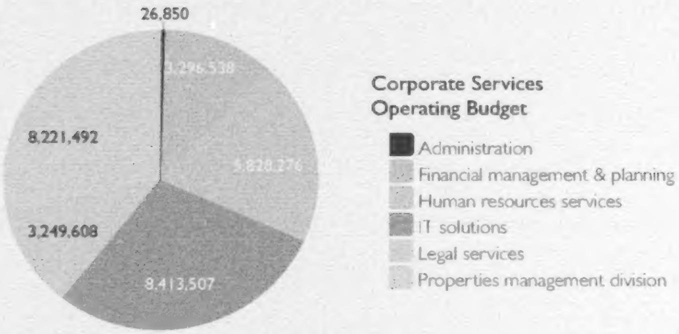
Department Overview

Corporate Services vision is to provide "Innovative Solutions for Niagara".

Corporate Services supports all of the Region's departments through the provision of the following support services:

- Financial Management and Planning
- Legal Services (including POA)
- Human Resources Services
- Information Technology Solutions
- Properties Management

The employees who make up Corporate Services are committed to meeting their customers priorities by providing timely, innovative and effective solutions. Our challenge is to provide services that meet their evolving demands, while identifying efficiencies and reducing cost. Whether managing a Regional budget of almost $1 billion, processing weekly payroll for over 3,600 employees, servicing over 5,550 technological devices, or managing over 50 Regional properties, our team's ultimate goal is to support the Region in its endeavor to provide Niagara residents with affordable, quality services and secure the community's position as an attractive location in which to live and work.



CSD: SUPPORTING COUNCIL BUSINESS

Departmental Plans

In addition to the core services mentioned above that are provided to both internal Regional customers and residents alike, Corporate Services is focused on the following priorities in support of the 2012 – 2015 Council Business Plan:

Council Business Plan Goal – Open for Business

- Manage sustainable and accountable tax policies that are affordable for Niagara residents and business
- Facilitate the approval of the 2013 Regional budget
- Attract key talent to support the delivery of Regional services to our residents

Council Business Plan Goal – Responsive Region

- Improve Regional budget reporting, including setting corporate-wide guidance targets
- Manage both the design and construction of the Niagara Regional Police Services buildings in Niagara Falls and St. Catharines and the Provincial Offences Act (POA) facilities review, investigating potential locations for the two POA sites
- Negotiate labour relations agreements with our bargaining units
- Review 911 dispatch service delivery in Niagara
- Establish a corporate-wide performance measurement framework

Council Business Plan Goal – Public Engagement and Communications

- Engage our residents, partners, business and community groups in the 2013 budget process and discussions
- Improve access to Regional information through our website, e.g. Open Data pilot and improved GIS capabilities

CSD: BUDGET SUMMARY

The Corporate Services 2013 operating budget includes a gross expenditure increase of $1,017,802, or 3.63 per cent over the 2012 budget. This translates to a net increase of $779,618, or a 3.06 per cent increase to $26,253,423. This increase, while above guidance provided to operating departments of 2.57 per cent, can be accommodated within guidance corporately. The budget does include a program change of $134,860 for salary and benefit costs related to the addition of a full-time labour relations position in our Human Resources division.

The 2013 budget continues to offset increases to payroll related costs (11.8 per cent) that outpace guidance. A number of re-organizations within our IT Solutions, Human Resources and Financial Management and Planning divisions have led to financial savings, however aligned our internal resources with client needs, thereby improving customer service across many of our lines of business.

Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	16,731,743	17,515,783	18,661,213	19,637,976
Administrative Expenses	392,782	448,898	461,481	464,495
Materials, Supplies & Utilities	2,008,090	2,071,900	2,223,139	2,318,910
Repairs & Maintenance	2,100,654	2,059,838	2,109,684	2,162,472
Purch. Serv. & Other Operating Exp.	6,784,108	7,013,033	7,262,198	7,286,173
Financial Expenditures	216,619	213,687	213,687	213,687
Capital Equipment & Renovations	21,310	21,610	22,710	22,710
Interfunctional Chargebacks/Recoveries	-	-	-	-
Transfers to Reserves & Reserve Funds	112,079	-	-	-
Allocations Between Departments	(125,906)	(180,978)	(130,978)	(130,978)
Allocations Within Departments	-	-	-	-
Allocations to Capital Program	(223,010)	(127,500)	-	-
Gross Expenditure	**28,018,469**	**29,036,271**	**30,823,134**	**31,975,445**
Ontario/Canada Grants	(12,500)	(12,500)	-	-
Fees & Service Charges	(154,000)	(145,101)	(68,000)	(65,500)
Other Revenue	(598,857)	(563,766)	(566,766)	(566,766)
Transfers from Reserves & Reserve Funds	(1,779,307)	(2,061,481)	(2,233,850)	(2,295,000)
Gross Revenue	**(2,544,664)**	**(2,782,848)**	**(2,868,616)**	**(2,927,266)**
Expenditure before Indirect Allocation	**25,473,805**	**26,253,423**	**27,954,518**	**29,048,179**
Indirect Allocation	(25,473,805)	(26,253,423)	(27,954,518)	(29,048,179)
Net Indirect Allocation	**(25,473,805)**	**(26,253,423)**	**(27,954,518)**	**(29,048,179)**
Net Expenditure/(Revenue) after Indirect Allocation	-	-	-	-

Additionally, the 2013 budget has transferred the full costs of insurance (self-insurance, claims, etc.) to the general government budget, along with the base budget, given the corporate nature of the expense and fluctuations and uncertainty inherent in the annual budgeting of the cost.

The cost allocation review has led to full cost accounting for the corporation, with the entire costs of Corporate Services allocated to end programs or services. There is no impact to the operating levy as it is simply a change in the allocation of costs.

CSD: SUMMARY OF BUDGET DRIVERS

Niagara Region

Summary of Budget Drivers	2013	2014	2015
Previous Year	25,473,805	26,253,423	27,954,518
+/- Savings/Revenue Adjustments			
Niagara Regional Broadband Network Contract		(100,000)	(500,000)
Consulting	(181,000)		
Maintenance & Support - IT	(37,000)		
+/- Other one time adjustments			
Utility - Electricity	81,141	129,063	70,983
+/- Program changes			
Staffing Changes	134,860	484,464	502,295
(Related to Financial Management System, purchasing review, insurance & labour relations)			
+ Contractual Costs			
Personnel Costs	649,180	616,492	473,354
Other Operating Expenses	132,437	571,076	547,029
(Materials, Maintenance, Repairs, Training, etc.)			
Current Year	**26,253,423**	**27,954,518**	**29,048,179**

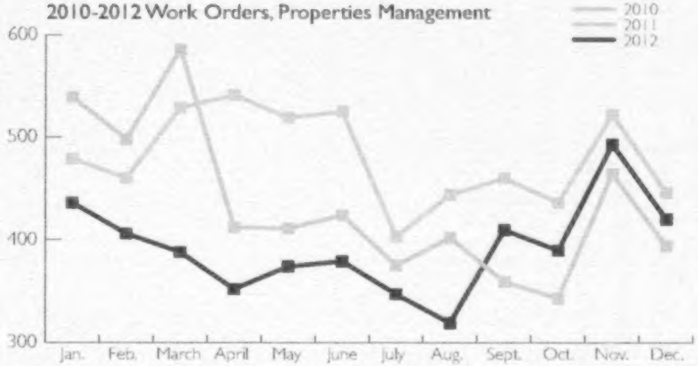
Challenge/Assumption	Mitigation Plan
Legislation	Government relations for interest arbitration and collective bargaining; maximizing existing Ministry funding through allocation and SLA's
People resources	Process reviews in a number of areas; LEAN reviews planned or ongoing
Increasing efficiencies for clients -within resource pressures	Focus on customer service; continuous improvement; service level agreements; increased accountability through performance measures
Labour relations and collective bargaining; short term agreements	Cyclical bargaining; increasing number of investigations, grievances, etc.; staffing pressures- program change to increase complement
Financial management tools/ system - disparate and disconnected	New enterprise resource planning system; standardization of core business processes; integrated systems - enhanced decision-making
Cost pressures - energy costs; software maintenance	Energy policies; identification of revenue opportunities/use of renewable resources; internal support for software and operational savings; contract negotiation

CSD: VOLUME METRICS

Properties Management – Work Orders

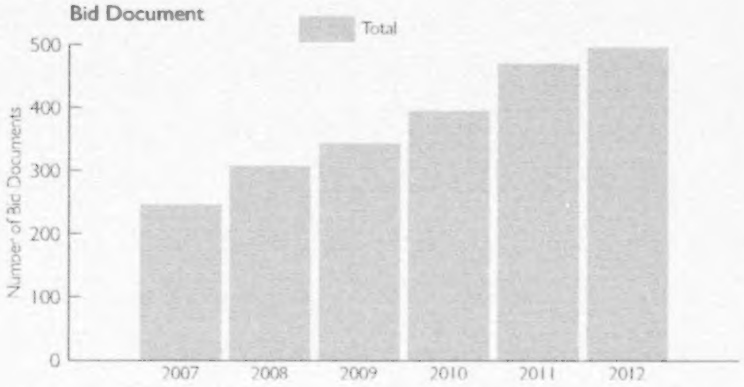
Staff has been tracking work orders since the implementation of our internal system in 2010. In 2012, approximately 4,700 work orders will have been processed and completed by our facilities staff, who provide service at Public Health, Public Works, Community Services and Niagara Regional Police Service buildings, in addition to the administrative headquarters of the Niagara Region (Campbell building).

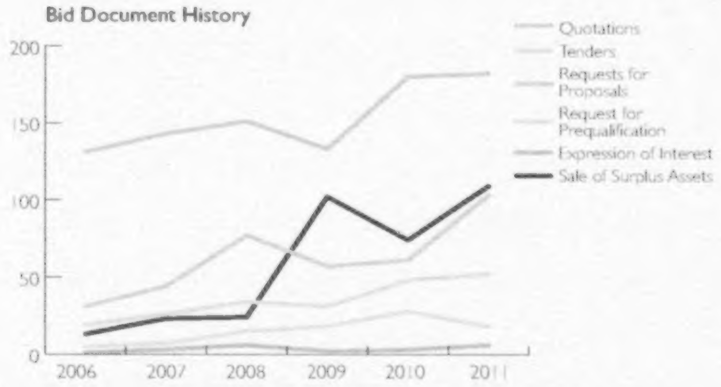
These orders capture requests for service at any of the facilities owned and operated by the Niagara Region, however do not include issues such as strategic accommodation planning, project management, etc. On a monthly basis, the number of work orders varies from a high of 586 to a low of 319.



Financial Management and Planning – Bid Documents

Bid documents include various purchasing and procurement documents for business processes we are involved in on behalf of our clients across the corporation. This includes quotations, tenders, requests for proposals and/or prequalification, expressions of interest, and the sale of assets deemed surplus to the needs of the corporation. The number of documents our staff shepherd and support through to completion has grown by over 150 per cent since 2006, and coincides with a decline in staffing as well, which leads to an equivalent of 124 documents supported per purchasing agent. This growth is generally attached to the increasing complexity and scrutiny surrounding the purchasing process.

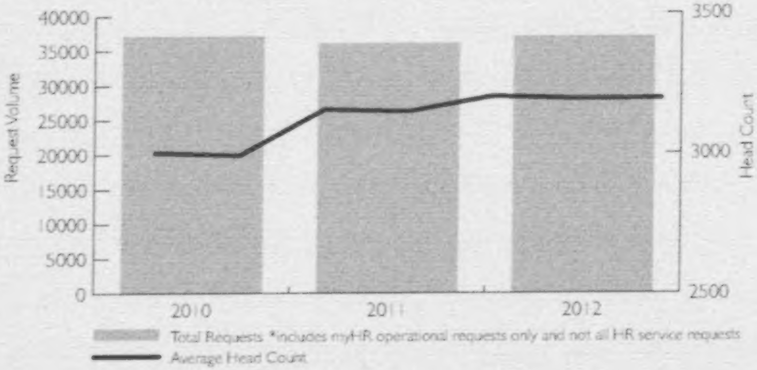




CSD: VOLUME METRICS

Human Resources – "myHR" Service Requests

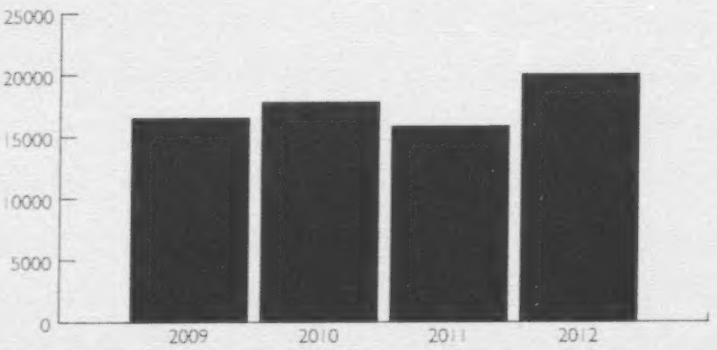
The number of service requests resolved by Human Resources for Niagara Region staff has remained relatively constant, with 37,160 requests in 2010, and 37,149 forecast in 2012. These questions pertain to an employee's personal information regarding their pay, benefits, leaves of absence, work schedules, training information and job postings. Access is provided through a number of portals including email, telephone or in person. In addition to these service requests, human resources staff also provides support regarding policy, programs or consulting in labour relations, compensation, work force planning, health & safety, leadership, etc.


myHR Service Request Volumes*

IT Solutions – "Service Desk" Requests

IT service requests involve a host of technological issues our clients may be facing. This includes, but is not limited to, calls for installation, removal and movement of technological resources, and issues with access, hardware, telecom or other internal support for resources across all of our locations, diversified by both client and geography.

Over half of the requests are resolved in under 30 minutes, however the varied nature of our clients can mean that one request may be a password issue for a software system, while the next could be the installation of a laptop in a long-term care home in Fort Erie. Over 20,000 requests were forecast to be resolved in 2012, a significant increase from the 16,500 logged in 2009.


IT Service Requests

CSD: CAPITAL PROGRAM

General Government

As in previous years, a capital allocation of $1,000,000 has been set aside to fund emergency capital expenditures. These expenditures are projects that may require allocating a portion of these funds, if approved by council. If these funds are not required, the project is closed at year end and the funds are returned to the capital levy reserve.

IT Solutions

The 2013 capital program for IT Solutions includes six projects totaling just under $15 million. The largest project captured in the capital budget is the replacement of the current financial management system ($12,940,000), commonly referred to as the enterprise resource planning system (ERP). This system standardizes the core financial business processes, integrates a number of current systems to assist and enhance decision making across the corporation. Our annual asset replacement capital budget ($1,400,000) is included, which captures the annual replacement costs for a host of technology products used across the corporation, including servers, software upgrades, laptops, desktops, wireless and telephone upgrades, and innovation projects such as virtual desktops and servers.

Other projects include backing up software and systems identified as critical to our business continuity needs ($400,000), enhanced connectivity to our iDarts program ($50,000), technology initiatives in POA ($100,000) to reduce costs and improve customer service, and a mapping project ($100,000) which integrates Geographic Information System technology with capital budget information.

Properties Management

The Properties Management capital budget focuses on replacing equipment that has reached the end of its useful lifespan, mitigating risks due to aging infrastructure, and completing projects that will restore our assets to an acceptable state ($2,275,000). Additional projects include funds to support a renewable energy program ($1,000,000), the replacement of Niagara Emergency Medical Services (NEMS) buildings in St. Catharines and Welland ($1,000,000), and the replacement of equipment of in our surveys area ($20,000).

General Government

Project ID	Project Description	Gross Capital Request
ZGG1301	Emergency Capital Levy Program	1,000,000
Total		**1,000,000**

IT Services

Project ID	Project Description	Gross Capital Request
ZGC1302	Business Continuity	400,000
ZGC1306	Financial Management System (ERP)	12,940,000
ZGC1303	iDarts	50,000
ZGC1304	IT Asset Replacement	1,400,000
ZGC1308	Mapping / Data Assessment Software	100,000
ZGC1307	POA Technology	100,000
Total		**14,990,000**

Properties Management

Project ID	Project Description	Gross Capital Request
ZGD1304	Regional Building Improvement Program	2,275,000
ZGR1002	Renew EMS buildings - Long Term Accommodation Strategy	1,000,000
ZGD1305	Renewable Energy Program	1,000,000
ZGD1306	Survey Asset Replacement	20,000
Total		**4,295,000**

INTEGRATED COMMUNITY PLANNING (ICP)

Departmental Overview

Integrated Community Planning (ICP) supports effective decision-making based on meaningful engagement, research, planning and focused actions to deliver responsible public policy, resulting in good governance for Niagara.

The department supports Council and the Corporate Management Team, particularly in relation to long-term planning. Those long-term solutions for Niagara require alignment between departmental mandates and the interests of community stakeholders.

Integrated Community Planning has six areas of responsibility that serve Niagara residents. In supporting successful implementation of Council's Business Plan Themes and Actions, we work innovatively, creatively and in partnership, looking for process improvements.

Administration Provides departmental leadership and oversight, and plays a key role in supporting intergovernmental and bi-national relations.

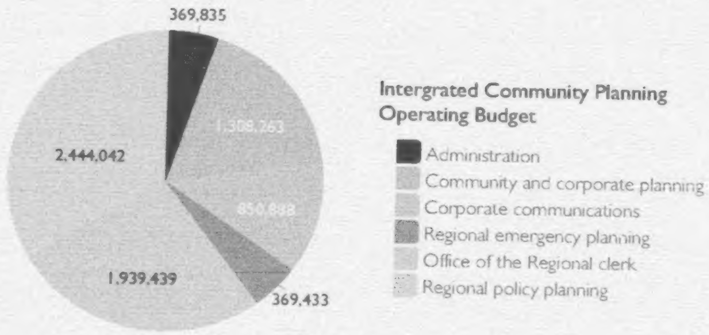
Community and Corporate Planning works with partners and community groups to lead or support council's priority planning initiatives in the region, facilitating integration of social, economic, environmental, cultural pillars and Accessibility of Ontarians with Disabilities Act.

Corporate Communications advances Council's Business themes by providing strategic, innovative and effective corporate communications services and by providing timely and accurate information to residents about Regional programs and services. The division also focuses on strengthening internal communications and oversees crisis communications response.

Regional Emergency Planning leads in the development, maintenance and growth of emergency readiness in Niagara. Links with area municipalities and other agencies in Ontario and Western New York, including training, joint exercises and emergency plan alignments.

The Office of the Regional Clerk is responsible for council and committee documents, providing procedural advice and managing legislative compliance. The office provides Information Management services, and is responsible for printing, mail and courier services.

Regional Policy Planning is responsible for the Region's long-range planning function, guided by statutes like the Planning Act, Greenbelt Act and Places to Grow Act, ensuring that we appropriately reflect Regional council's social, environmental, economic and land use development priorities.



ICP: SUPPORTING COUNCIL BUSINESS

Departmental Plans

In addition to the core services provided to both Regional Council members and residents alike, Integrated Community Planning is focused on the following priorities in support of the 2012 – 2015 Council Business Plan:

Responsive Region

- Integrate long-term policy planning for social, environmental, economic, and cultural priorities
- Continue implementation of the Regional Emergency Planning function review
- Continue cost-effective design services
- Evaluate our Performance Measurement framework and introduce improvements
- Enhance innovative access to information through Open Data Pilot
- Implement accessibility legislation
- Implement the recommendations of the Corporate Communications function review

ICP: SUPPORTING COUNCIL BUSINESS

Healthy Community

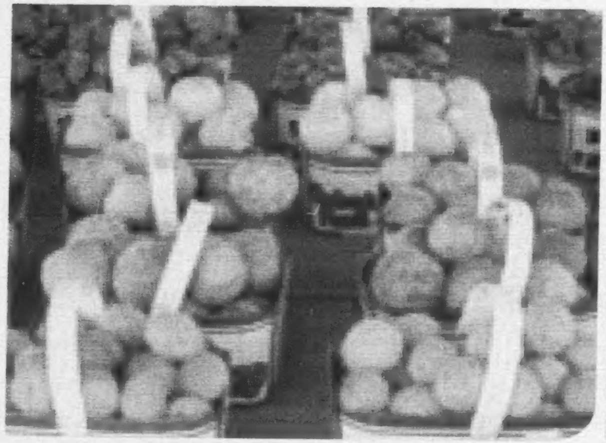
- The Culture Plan, including Cultural Capital of Canada
- Support/coordinate the Human Services Plan
- Support the implementation of Cross-border Regional Critical Infrastructure Consortium, in alignment with the Joint Committee on Emergency Management
- Creation of Local Value Added on Farm implementation tools

Open for Business

- Development Charges By-law
- Marketing the Gateway with Economic Development
- Community Improvement Plan with area municipalities
- Approve Local Official Plans
- Improve Economic Prosperity in Niagara
- Emergency Management
- Enhanced web-based employment land mapping

Environmental Responsibility

- Niagara Water Strategy
- Great Lakes Stewardship
- Environmental Impact Statement Guidelines update
- Bi-national initiatives



Integrated Transportation System

- Update the Niagara Transportation Strategy and related policies in the Regional Policy Plan
- Complete Streets Pilot Project
- Advance the Healthy Communities Agenda
- Develop Transportation Demand Management policies

Governance Review

- Review and recommend methods for streamlining Council and Committee proceedings
- Complete functional review of the Greater Niagara Circle Route

Public Engagement and Communications

- Support corporate-wide communications by providing strategic, innovative and effective communications for such initiatives as: Governance Review, pre-budget consultation, labour relations and Council Business Plan.
- Build stronger brand awareness for recognition of services/programs
- Advance internet communications, focusing on online public engagement and two-way communications

ICP: BUDGET SUMMARY

The 2013 operating budget of $6,963,985 represents an increase of $155,749 (2.29 per cent) over 2012, mainly due to inflationary increases to salaries, benefits and other related expenditures. This budget was created within the guidance of 2.57 per cent provided by Council. Levy avoidance measures were taken through continued use of in-house graphic design and printing, reallocations of existing FTEs to support Council Business Plan priorities or initiatives, partnerships, by encouraging labour force development and Youth Retention Strategy, and the implementation of the Corporate Records outsourced model.

Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	4,477,961	4,597,175	4,833,077	4,943,552
Administrative Expenses	180,275	187,590	211,390	194,240
Materials, Supplies & Utilities	298,418	282,985	312,065	321,065
Repairs & Maintenance	58,150	53,350	76,550	81,550
Purch. Serv. & Other Operating Exp.	2,115,910	1,774,908	1,772,789	1,826,308
Financial Expenditures	1,000,000	1,000,000	1,000,000	1,000,000
Capital Equipment & Renovations	15,915	15,265	[illegible]	24,650
Interfunctional Chargebacks/Recoveries	-	-	-	
Allocations Between Departments	(556,880)	(629,373)	(629,373)	(629,373)
Allocations Within Departments	-	-	-	
Allocations to Capital Program				
Gross Expenditure	**7,589,749**	**7,281,900**	**7,599,198**	**7,761,992**
Ontario/Canada Grants	(28,875)	-	-	
Fees & Service Charges	(85,056)	(80,000)	(80,000)	(81,000)
Other Revenue	(161,000)	(111,000)	(111,000)	(111,000)
Transfers from Reserves & Reserve Funds	(506,582)	(126,915)	(147,195)	(112,195)
Gross Revenue	**(781,513)**	**(317,915)**	**(338,195)**	**(304,195)**
Expenditure before Indirect Allocation	**6,808,236**	**6,963,985**	**7,261,003**	**7,457,797**
Indirect Allocation	(234,634)	(167,649)	(205,045)	(190,542)
Debt Allocation	566,204	632,814	648,632	664,847
Net Indirect Allocation	**331,570**	**465,165**	**443,587**	**474,305**
Net Expenditure/(Revenue) after Indirect Allocation	**7,139,806**	**7,429,150**	**7,704,590**	**7,932,102**

ICP: SUMMARY OF BUDGET DRIVERS

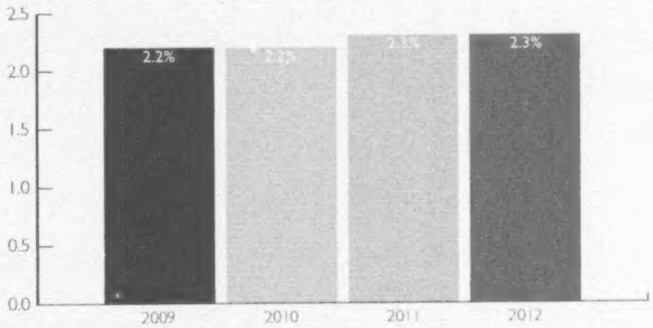
Integrated Community Planning follows Councils mandate, our budget is driven by the 2012-2015 Council Business Plan. Our most pressing priorities in 2013 are: Gateway Economic Zone and Centre; local Official Plan approvals; sustaining Emergency Management Program integration in collaboration with area municipalities; Lakefront Enhancement Strategy; implementing efforts to increase awareness of services and programs; Council's decision to increase number of committees; managing corporate records storage and retrieval; implementing the performance measurement dashboard; advancing the Human Services Plan; and Economic Development transition and promoting jobs.

Summary of Budget Drivers	2013	2014	2015
Previous Year	6,808,236	6,963,985	7,261,003
-Savings /Revenue Adjustments			
Less potential in grant funding	68,498		
Transfer from Reserves	379,667	(20,280)	34,000
Cultural Capital of Canada - one time transfer (2012)			
Development Charge Policy update - complete			
Reduction in reliance on reserve transfer			
Savings through In-house coloured printing	(72,493)		
+/- Other Adjustments			
Personnel & Administrative Costs		136,962	
Council Orientation			
Increase in contract staff for two-way communications, dependent on approval of work plan			
+/-Program Changes			
+Contractual Costs			
Personnel & Administrative Costs	126,529	122,738	93,327
Payroll related costs & student retention			
Goods & Services	(346,452)	57,598	69,467
End in Cultural Capital of Canada programming & ED transition plan - one-time expenditure			
Savings in utilities and leasing - through outsourcing of records			
Increase in external communications			
Current Year	**6,963,985**	**7,261,003**	**7,457,797**

ICP: VOLUME METRICS

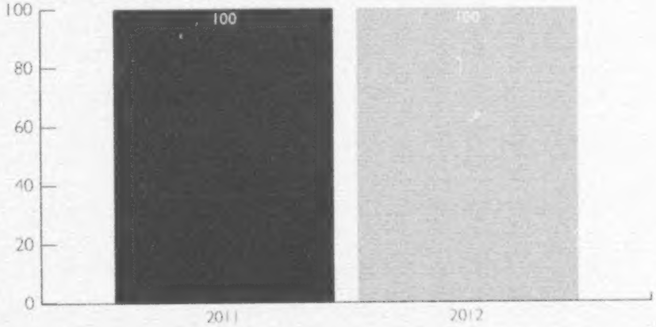
Created in 2009, the Integrated Community Planning department is made up of six areas that serve Niagara residents in many different ways. The theme that runs through each of the areas of responsibility is a focus on citizen engagement, using feedback from residents, staff and Council to promote Council's economic, social, environmental and cultural priorities. This department provides internal and external support through the planning functions, programs and services provided and the department staff is integral in moving many projects forward. This department may be considered a hub for integration.

Expenditure as Per Cent of Total Regional Budget

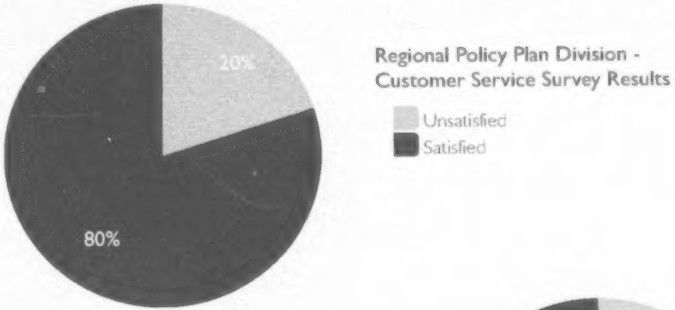


As part of ICP, the Clerk's office provides legislative support and other services for Council and Committee meetings. Given the number of committees supported, in 2011 there was an increase in the Clerk's office by one FTE. The number of meetings supported remained the same in the first half of 2012 indicating a net increase in services provided by the Clerk's office. Previously a number of advisory committees were supported by staff outside of the Clerk's office.

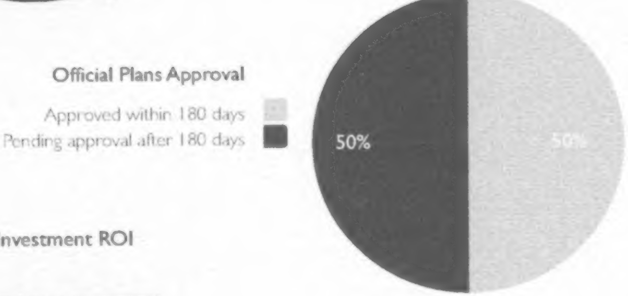
Number of Council & Committee Meetings Provided with Legislative Support (Jan-Jun)



Within ICP, Regional Policy Planning (RPP) is responsible for ensuring that the Regional Policy Plan appropriately reflects Regional Council's social, environmental, economic and land use development priorities. Over the last two years, RPP has undergone a restructure of resourcing with a goal to bring service time delivery in line with industry standards and best practices under the Planning Act as well as implement programs to promote Council's priorities as stated above. In addition, there has been a renewed focus on customer service and relationships with local area municipalities. Council's focus on smart growth investments has proven to be an investment that has exceeded expectations with Regional dollars spurring investment in Niagara at a ratio of 9 to 1.

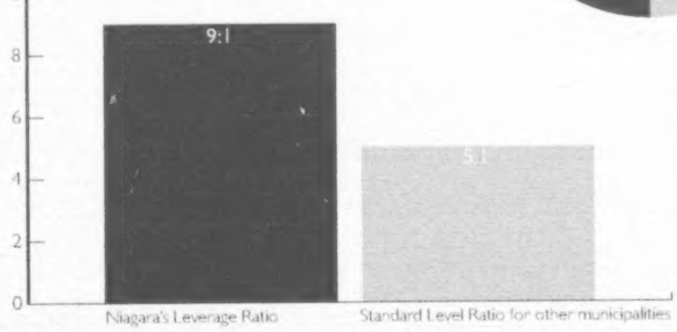


Regional Policy Plan Division - Customer Service Survey Results



Official Plans Approval

Smarter Niagara Investment ROI



ICP: CAPITAL PROGRAM

ICP has identified one capital project in 2013. This project will be used to provide economic development funding to address identified gaps in infrastructure required to support the Gateway Economic Zone and Centre strategy implementation. The $350,000 would support a partnership project on a rail spur in the City of Port Colborne. This project provides $1 million for potential land acquisition that may result from completion of the Lakefront Enhancement Strategy expected to be finalized in 2013. Previous Council perspectives have anticipated land acquisition will be the focus of implementation through partnership with local municipalities and the Niagara Peninsula Conservation Authority (perhaps others). This project is being prepared to initiate prioritized land acquisition for 2013; future years funding will be identified in the Strategy and proposed to Council prior to the 2014 budget.

Project ID	Project Description	Gross Capital Request
ZPL1301	Lakefront Enhancement Strategy Implementation	1,000,000
Total		**1,000,000**

Niagara Region
Building Community. Building Lives.

Niagara's
Economic
Gateway

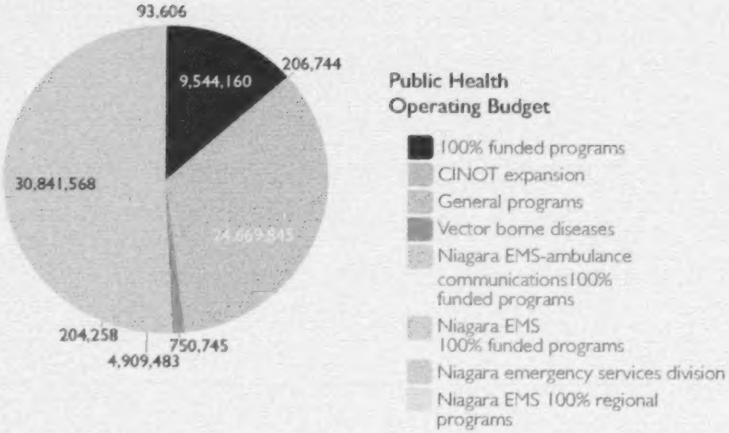
PUBLIC HEALTH (PH)

Department Overview

Niagara Region Public Health is committed to the public health needs of our community. We demonstrate this commitment through health protection, disease prevention, health promotion, and injury prevention programs.

Public Health delivers health programs and services in the following areas:

- Communicable disease control
- Immunization
- Sexual health
- Dental health
- Environmental health
- Population health surveillance
- Chronic disease and injury prevention
- Health promotion and information
- Family health
- Emergency Medical Services
- Mental health



PH: SUPPORTING COUNCIL BUSINESS

This year, Public Health created a longer term, four-year Strategic Plan that will guide work from 2012 through to 2015. Based on feedback from community partners, volunteers, and staff, a purpose statement was developed for this plan: "Niagara Region Public Health believes that being strongly connected to our community of communities is vital to optimizing the health of Niagara."

Public Health's partners, Regional Councillors and Niagara residents gave suggestions on how the purpose statement could be achieved. These suggestions formed the strategic directions for Public Health's Strategic Plan, which are: to be accountable to Niagara residents and visitors; to put people first; to strengthen public health practice through collaboration and partnerships; and to enable community health by promoting and/or providing pathways to programs and services.

Public Health's strategic directions align with and support Council's Business Plan and commitment to being action-oriented, results driven and attainable. A healthy community is a prosperous one, and health plays a significant role in economic and community development.

Through strong community partnerships, clear accountabilities, and responsive programs and services, Public Health will increase the quality of life for Niagara residents, ensuring the region we call home is a great place to live, study, work and invest.

PH: BUDGET SUMMARY

Public Health aims to promote health and protect the population through a variety of tailored programs responsive to the needs and fiscal reality of Niagara.

The increase in personnel costs ($1,438,833) is shared between the 100 per cent funded programs and the cost shared programs, 65 per cent and 35 per cent, respectively. The 100 per cent funded programs received additional funding for expanded services in the mental health program, including the telemedicine network and the early intervention program. As approved by council, additional staff was hired to carry out these new services, so there was an increase in salary dollars. However, this led to a decrease in contracted services ($406,965), as there was no longer a need to rely on external sources for program delivery. Corporately, human resource payroll related costs increased, particularly for the OMERS pension plan.

Total levy cost to operate Public Health for 2013 is $4,550,624, which represents a 0.79 per cent increase from 2012. Other inflationary costs have all been absorbed in the budget.

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	28,932,636	30,371,469	31,042,854	31,743,942
Administrative Expenses	1,087,227	1,097,283	1,119,229	1,141,614
Materials, Supplies & Utilities	1,147,633	1,283,118	1,308,781	1,334,956
Repairs & Maintenance	80,500	77,000	78,540	80,111
Purch. Serv. & Other Operating Exp	2,679,155	2,285,590	2,331,302	2,377,927
Capital Equipment & Renovations	145,300	135,400	138,108	140,870
Interfunctional Chargebacks/Recoveries				
Allocations Between Departments	(98,192)	(78,366)	(78,366)	(78,366)
Allocations Within Departments				
Gross Expenditure	**33,974,259**	**35,171,494**	**35,940,448**	**36,741,054**
Ontario/Canada Grants	(28,630,100)	(29,730,098)	(30,329,647)	(30,981,185)
Fees & Service Charges	(132,000)	(193,000)	(196,860)	(200,797)
Other Revenue	(697,067)	(697,772)	(710,127)	(682,730)
Transfers from Reserves & Reserve Funds				
Gross Revenue	**(29,459,167)**	**(30,620,870)**	**(31,236,634)**	**(31,864,712)**
Expenditure before Indirect Allocation	**4,515,092**	**4,550,624**	**4,703,814**	**4,876,342**
Indirect Allocation	4,706,389	4,797,002	5,073,307	5,238,668
Debt Allocation	2,155,472	2,155,538	2,209,425	2,264,657
Net Indirect Allocation	**6,861,861**	**6,952,540**	**7,282,732**	**7,503,325**
Net Expenditure/(Revenue) after Indirect Allocation	**11,376,953**	**11,503,164**	**11,986,546**	**12,379,667**

PH: SUMMARY AND BUDGET DRIVERS

Looking ahead to 2014 and 2015, the proposed change in personnel costs is in response to forecasted movement through grids and will be adjusted based on council guidance and realized collective agreements. Revenue increases of two per cent for the healthcare sector were recommended in the Drummond Report and health and education have been deemed provincial priorities, this has been used as an assumption in forecasting.

At this time, there are no new initiatives forecasted over the next few years that will significantly impact the budget.

Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	4,515,092	4,550,624	4,703,814
Savings /Revenue Adjustments			
Government Grants	1,161,703	615,764	628,078
+/- Other one time adjustments			
Goods and Services	165,367	97,569	99,518
Contracted Services	(406,965)		
+/- Program changes			
+ Contractual Costs			
Personnel Costs	1,438,833	671,385	701,088
Current Year	**4,550,624**	**4,703,814**	**4,876,342**

PH: VOLUME METRICS

100 per cent of all food premises in Niagara are inspected in compliance with Ontario Public Health Standards inspection frequency requirements

Public Health inspectors visit retail food establishments regularly to conduct food safety inspections and assess for compliance with provincial regulations. A hazard identification and risk-based approach is taken, focusing on factors like proper food handling and preparation, hand washing and hygiene procedures. Operators are required to correct critical infractions immediately, and follow-up inspections are conducted as required. No facility is given advance warning of an upcoming inspection.

Results of inspections from all food establishments in the Niagara region are posted online to NiagaraInfoDine. The mobile-friendly page is an easy and accessible way to get local restaurant food inspection results. Regular inspections and shared results improve food safety standards, reduce the risk of foodborne illness and raise consumer awareness of food safety. Public Health's diligent and thorough food premises inspections support the economics of businesses and tourism in Niagara, by helping to make dining out a safe and pleasant experience.

The capabilities of the mobile-friendly page also include built-in intelligence like GPS positioning, which knows which restaurant you are at, and displays that establishment's inspection report immediately on your mobile device.

There are approximately 5,000 searches conducted on NiagaraInfoDine every month. InfoDine is one of the top five pages visited on www.niagararegion.ca. The most commonly searched word in NiagaraInfoDine is "pizza."

Through-put time in mass seasonal flu clinic is 7.5 minutes

No one likes to wait. In an effort to offer more efficient immunization clinics, Niagara Region Public Health and the Corporate Services IT Solutions team designed a software program that enhances the delivery of vaccine to Niagara residents, increasing the capacity of the public vaccination process, making it more efficient and more effective overall. This was particularly evident during the 2009 H1N1 pandemic influenza where Niagara clinics were able to get large numbers of people vaccinated quickly and safely.

With only seven and a half minutes from the time a patient registers to the time they receive their shot in a seasonal flu clinic, timely service and a streamlined clinic setup are hallmarks of this system. Niagara Region Public Health is committed to a goal of seeing this through-put time improve to five minutes. With this improvement seen in seasonal flu clinics, the system will certainly enhance the management of community emergency outbreaks, mass immunization campaigns, and school-based vaccination programs.

With this system, Niagara Region Public Health has shown its leadership in developing state-of-the-art technology and capacity to support a provincial-wide initiative. During the 2009 H1N1 pandemic influenza, this made in Niagara software was recognized by the Ministry of Health and Long-Term Care for use within health units throughout Ontario. Niagara Region Public Health will continue to be innovative and forward thinking to showcase Niagara as a centre of excellence for leading edge medical informatics.

This new technology allows vaccinations to be given at rates twice as fast as in the past. As a result, we are looking to offer more flu clinics with greater regional coverage. Get the shot; it will only take a few minutes of your time.

PH: NIAGARA EMERGENCY MEDICAL SERVICES

Niagara Emergency Medical Services is made up of paramedics and emergency medical dispatchers who are committed to promoting the safety and well-being of all residents and visitors to Niagara.

For the 2013 budget, Niagara EMS is showing an overall decrease in their operating budget from 2012 of $106,541 (-.74 per cent); this is due to the elimination of the severance reserve contribution for 2013 ($470,067). Included in the 2013 budget, as approved by council, is a community response unit to be launched in Wainfleet to provide first response capacity to emergencies and enhanced community health services for this community at a cost of about $295,313. In addition, Niagara EMS has increased their capital reserve contribution by $270,442 (2013), $100,000 (2014) and $200,000 (2015) to help support the increase in their capital program requirements.

Looking ahead to 2014 and 2015, a two per cent increase in provincial grants has been alotted in the forecast, as the Drummond Report recommended health and education be deemed provincial priorities.

Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	14,469,750	14,363,209	14,792,774
Savings			
Tuition	(61,000)		
Operational Materials and Supplies			(86,907)
Medical Supplies (Medbuy)	(21,000)		
Capital equipment	(116,541)		
MOHLTC Revenue	(432,495)	(329,259)	(335,843)
+/- Other one time adjustments			
+/- Program Changes			
Severance Reserve Elimination	(470,067)		
+Inflationary			
Personnel Costs	724,120	612,524	624,773
Administrative Expenses		750	
Fuel		15,600	5,400
Medical Supplies		7,050	4,095
Utilities		3,500	3,400
Capital Reserve Contribution	270,442		200,000
R&M Vehicles/Equipment		19,400	5,700
Current Year	**14,363,209**	**14,792,774**	**15,213,392**

PH-NIAGARA EMS: CAPITAL PROGRAM

As part of Niagara Emergency Medical Services' (Niagara EMS) annual vehicle replacement program, based on a 60 month replacement cycle, the service replaces eight to nine ambulances within the fleet each year. These new ambulance are more fuel efficient and require less maintenance than traditional ambulances. In addition, they come with enhanced technology that reduces idle times to lower fuel consumption, reduces carbon emissions contributing to a greener environment, and reduces engine wear and maintenance costs while extending vehicle and engine life.

These new ambulances have integrated safety systems built into the vehicle information system to identify and support the management of speeding infractions and sense unbelted, unsecured occupants through an emergency warning system. These vehicles can create driver safety reports and set pre-defined speed limits.

In addition, Niagara EMS is looking at new power stretchers in 2013. These new stretchers are lighter and will assist in creating a much safer work environment for staff and patients. These stretchers will move the service closer to a zero lift environment and help to achieve its Road to Zero goal.

Project ID	**Project Description**	**Gross Capital Request**
ZGR1302	Ambulance and Equipment Replacement	2,086,979
Total		**2,086,979**

PH-NIAGARA EMS: BUDGET SUMMARY

Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	29,528,249	30,626,190	31,238,714	31,863,487
Administrative Expenses	210,150	205,750	206,500	206,500
Materials, Supplies & Utilities	2,051,226	1,909,750	1,920,450	1,929,987
Repairs & Maintenance	844,000	820,500	839,700	850,400
Purch. Serv. & Other Operating Exp.	1,872,647	1,169,468	1,185,324	1,096,275
Capital Equipment & Renovations	371,000	206,918	206,800	206,800
Interfunctional Chargebacks/Recoveries	-	-	-	-
Transfers to Reserves & Reserve Funds	1,288,210	1,090,030	1,189,942	1,390,442
Allocations Between Departments	12,700	20,309	20,309	20,309
Allocations Within Departments	-	-	-	-
Gross Expenditure	**36,178,182**	**36,048,915**	**36,807,739**	**37,564,200**
Ontario/Canada Grants	(21,688,432)	(21,665,706)	(21,994,965)	(22,330,808)
Fees & Service Charges	-	-	-	-
Other Revenue	(20,000)	(20,000)	(20,000)	(20,000)
Gross Revenue	**(21,708,432)**	**(21,685,706)**	**(22,014,965)**	**(22,350,808)**
Expenditure before Indirect Allocation	**14,469,750**	**14,363,209**	**14,792,774**	**15,213,392**
Indirect Allocation	1,957,189	1,994,916	2,109,589	2,182,047
Debt Allocation	663,915	1,031,338	1,057,122	1,083,550
Net Indirect Allocation	**2,621,104**	**3,026,254**	**3,166,711**	**3,265,597**
Net Expenditure/(Revenue) after Indirect Allocation	**17,090,854**	**17,389,463**	**17,959,485**	**18,478,989**

PH-NIAGARA EMS: VOLUME METRICS

Niagara Emergency Medical Services overall response time is in 90th percentile

The 90th percentile response time for an ambulance, from January to June 2012, was nine minutes, 42 seconds. This is better than the provincial legislated requirement of 10 minutes, 48 seconds. Niagara Emergency Medical Services' (NEMS) paramedics are incredibly dedicated to their profession and the service they provide to Niagara's residents, and our exceptional performance provincially attests to this.

NEMS also operates a state of the art dispatch centre for 9-1-1 calls under contract from the Ministry of Health and Long-Term Care. The 90th percentile for completing call processing is one minute, 51 seconds; which is under the provincial requirement of two minutes.

NEMS is required to provide equitable and seamless service throughout the Niagara region. Using a highly sophisticated model of deployment, resources are strategically positioned based on call demand while balanced with geographical coverage. NEMS' high performance system and effective use of resources means ambulances return more quickly to the community and are available to respond to other service demands.

The Niagara Region is well positioned to begin exploring other ways to leverage the services provided by NEMS to improve health care to all residents in Niagara. NEMS is already a leader in Canada, seeking ways to improve access to care at the first point of contact, and to decrease wait times with new and innovative programs.

PUBLIC WORKS (PW)

Departmental Overview

Every resident, property owner, business and rate payer in Niagara is in some way affected by the programs and services provided by Niagara Region's Public Works Department. The Public Works Department is responsible for a 750 km network of Regional roads that provide vital transportation links between Niagara's municipalities and connect with the larger provincial road network that link Niagara with the neighboring communities and markets.

The Public Works Department provides and coordinates the collection and disposal of residential garbage and recycling materials, delivering the same, consistent level of service to all 12 municipalities in Niagara. The Department is responsible for treating and delivering clean drinking water to 11 of Niagara's municipalities as well as treating the wastewater generated in Niagara, ensuring that this water is safe to return to our lakes and rivers.

The Public Works Department plays a critical role in fostering residential, commercial and business development in the Region through the coordination of land use, infrastructure and investment planning. The department manages more than 1,000 applications annually to ensure that growth is socially, financially and environmentally sustainable.

Infrastructure projects create jobs in Niagara by employing people in the design, development and construction of roads, bridges and facilities. The creation and maintenance of good infrastructure also has the added benefit of creating the right environment for future economic growth and development.

The Department's investments in public infrastructure contribute significantly to Council's economic growth and job creation goals. Public Works' services provide capacity to support business retention, expansion and attraction across Niagara in existing urban areas, Economic Zones and Centres and designated employment lands.

The Region's Transportation network provides the foundation for future economic development by interlinking our people, businesses and products and making them accessible to expanding marketing opportunities nearby.

niagara region

Governing legislation

There are more than 55 pieces of individual federal and provincial legislation and regulations that govern the activities of the Public Works Department. In many cases this legislation directs and requires Niagara Region to provide and maintain numerous services, service levels and activities for the health, safety and well-being of the community.

Waste Management Division

Waste Management is responsible for the planning, management and operations of waste management facilities, programs and services throughout the Region, including:

- Operating and maintaining three Regional landfills, a Recycling Centre, a household hazardous waste (HHW) facility, special hazardous waste days, three material drop-off depots, and special diversion events
- Providing residential and commercial curbside, waste, recycling and organics collection programs
- Perpetual Care of 11 closed landfills

PW: CONTINUED

Development Services Division

Development Services reviews over 600 development applications, 40 municipal servicing applications, plus approves and inspects 425 private sewage systems annually.

Applications reviewed or processed through Niagara Region include:

- Zoning By-law Amendments
- Development charge waivers
- Local Official Plan amendments
- Community Improvement Plans
- Draft plans of subdivision and condominiums
- Minor variances
- Consents (land severances)
- Site Plans
- Environmental Assessments
- Municipal servicing approvals
- Connections to Regional services
- Niagara Escarpment Commission Development Permits
- Private sewage systems

Water and Wastewater Division

Niagara Region provides wholesale potable water and wastewater services to 11 area municipalities across the region through the operation and maintenance of plants, wastewater facilities and supporting pump stations, reservoirs and elevated water towers.

Wastewater: In 2011, 86 billion litres of wastewater was treated at 11 plants, and collected through 123 pump stations and 283 km of wastewater mains.

Water Services: In 2011, 59 billion litres of potable water was produced at six plants and transmitted through 59 facilities and 316 km of water mains.

Transportation Services Division

The Region is responsible for the planning, design, construction and maintenance of approximately 750 km of major arterial roads, including more than 179 bridges and culverts, as well as signs and traffic signals. Transportation Services also funds the operation of Niagara Specialized Transit and Niagara Region Transit, a pilot inter-municipal transit service with bus routes between St. Catharines, Thorold, Niagara Falls and Welland, and extended feeder service to Port Colborne and Fort Erie.

PW: SUPPORTING COUNCIL BUSINESS

The Public Works Department's Work Plan is aligned with the themes and actions of Council's approved 2012-2015 Business Plan. The plan was developed by the Public Works Senior Management team and incorporates input provided by staff at other levels; including Divisional staff groups and our semi-annual Public Works Forum.

In addition to the activities undertaken in 2012, the Public Works Department has a number of initiatives planned for 2013 that will further support the Council Business Plan. Major initiatives include:

- Residential waste diversion rate benchmarking
- Computerized Maintenance Management System (CMMS) for enhanced maintenance and operations.
- Materials Recycling Facility (MRF) Operational & Service Review
- Niagara Regional Transit work plan & performance reporting
- LEAN Transportation Operations & Winter Maintenance Service Review
- Regional water supply risk mitigation security of supply & environmental protection
- 'Open for Business' agenda
- LEAN process and operation review
- iDarts pilot roll-out to LAMs
- Benchmarking Initiatives

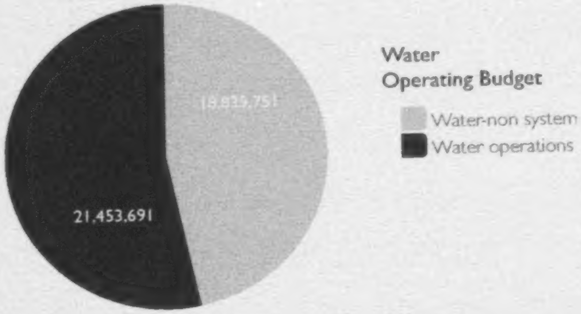
PW: BUDGET SUMMARY

Water and Wastewater

The Water and Wastewater Divisions' proposed 2013 budget amount of $107.7 million represents a $2.6 million (2.47 per cent) net increase from the 2012 budget. Incorporated within this change is the $1.1 million (1.03 per cent) impact from the cost allocation review that was undertaken corporately, along with $1.5 million (1.44 per cent) in departmental-related changes. These changes include inflationary pressure in areas such as utilities, chemicals and personnel, as well as provisions for sustainable repair and maintenance of existing facilities and equipment, and are net of the savings that have resulted from process optimization, conservation and staff management initiatives undertaken within the divisions.

$2.3 million of the $2.6 million overall change can be attributed to the wastewater program with the remaining $0.3 million to the water program, representing increases of 3.75 per cent and 0.56 per cent in those divisions, respectively. These impacts include the reallocation of $1 million in support for the capital programs from water to wastewater in accordance with the capital funding plan.

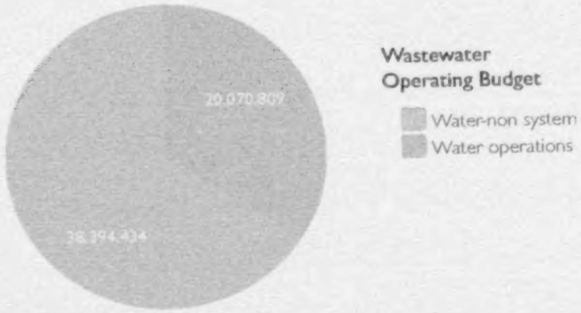
The 2013 proposed budget includes a program change for the addition of 3 FTE's to the succession planning strategy for the Water and Wastewater Division. As both front line and management staff require water certificates and wastewater licenses in order to ensure compliance with the Safe Drinking Water Act and the Ontario Water Resources Act, Niagara Region's past, present and projected retirements and departures within the Water and Wastewater Division are and will continue to challenge compliance mitigation efforts. As certification and licensing is a complex and time consuming undertaking and the employment market makes recruiting difficult, developing Niagara Region's own Operators and future Managers will be critical to its operations.



PW: SUMMARY OF BUDGET DRIVERS

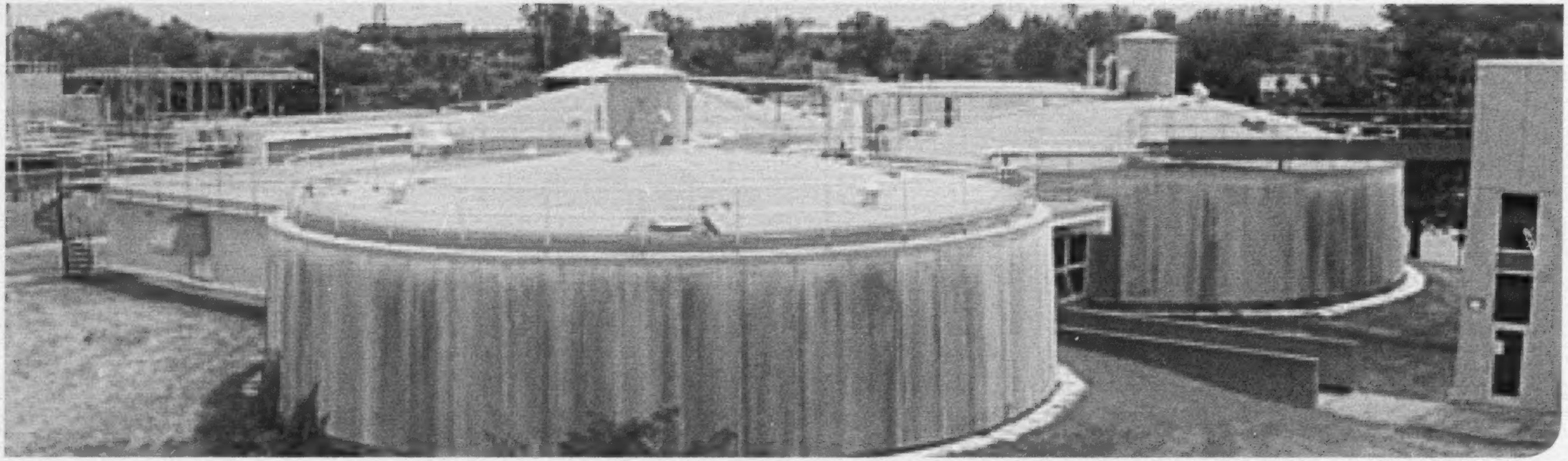
Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	105,069,066	107,667,184	111,578,201
- Savings/Revenue Adjustments			
Other Revenue	(100,002)	(28,934)	(29,512)
+/- Other one time adjustments			
Cost Allocation Methodology Update	1,083,069	267,047	156,418
Capital Transfer to Reserve & W&WW debt charges			
Water	(1,000,000)	(600,000)	(600,000)
Wastewater	1,000,000	1,500,000	1,500,000
Repair, Maintenance & Other	369,781	255,323	265,548
+/- Program changes			
Compliance - Succession Planning	186,156		
Wastewater System Effluent Regulation		710,000	
NOTL WWTP			1,500,000
+Contractual Costs			
Personnel Costs	744,749	577,032	510,745
Materials, Supplies & Utilities	247,962	860,378	548,996
Purchased Services	66,403	370,173	504,104
Current Year	**107,667,184**	**111,578,203**	**115,934,500**

Going forward areas of pressure currently anticipated for the years 2014 and 2015 include inflationary escalations of contracts, chemicals and utilities. New regulations, including the Federal Wastewater Effluent Regulations, service contract renewals and the preparation for the new Niagara-on-the-Lake Wastewater Treatment Plant will also introduce impacts. These pressures result in a combined water & wastewater change of $3.9 million and $4.4 million in 2014 and 2015, respectively. Similar to 2013, the majority of the costs pressure is anticipated in the wastewater program, which accounts for $3.7 million and $4.2 million of the increases in those years, in part due to the capital financing plan which will continue to reallocate funding towards the cost of wastewater capital projects.

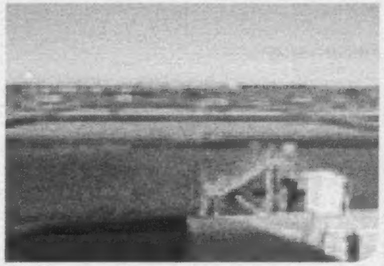


PW: BUDGET SUMMARY

Water and Wastewater



Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	20,173,128	21,104,033	21,681,066	22,691,811
Administrative Expenses	564,961	550,590	560,872	571,359
Materials, Supplies & Utilities	13,584,194	13,832,156	14,712,534	15,961,529
Repairs & Maintenance	7,430,471	7,787,831	7,943,588	8,102,459
Purch. Serv. & Other Operating Exp.	14,314,768	13,781,171	14,841,344	15,645,448
Capital Equipment & Renovations	130,455	145,149	148,052	151,013
Interfunctional Chargebacks/Recoveries	0	0	0	0
Transfers to Reserves & Reserve Funds	39,221,873	39,210,560	40,102,941	40,998,043
Allocations Between Departments	1,968,806	1,972,798	2,050,219	2,132,355
Allocations Within Departments	917,183	941,703	964,872	988,290
Allocations to Capital Program	(550,892)	(567,306)	(581,517)	(593,842)
Gross Expenditure	**97,754,947**	**98,758,685**	**102,423,971**	**106,648,465**
Taxation - Rate	(105,069,066)	(107,667,184)	(111,578,203)	(115,934,500)
Fees & Service Charges	(1,097,800)	(1,098,000)	(1,119,320)	(1,141,066)
Other Revenue	(285,979)	(385,781)	(393,395)	(401,161)
Transfers from Reserves & Reserve Funds	(600,000)	0	0	0
Gross Revenue	**(107,052,845)**	**(109,150,965)**	**(113,090,918)**	**(117,476,727)**
Expenditure before Indirect Allocation	**(9,297,898)**	**(10,392,280)**	**(10,666,947)**	**(10,828,262)**
Indirect Allocation	1,955,547	3,111,430	3,370,354	3,518,445
Debt Allocation	7,342,351	7,280,850	7,296,593	7,309,817
Net Indirect Allocation	**9,297,898**	**10,392,280**	**10,666,947**	**10,828,262**
Net Expenditure/(Revenue) after Indirect Allocation	**0**	**0**	**0**	**0**

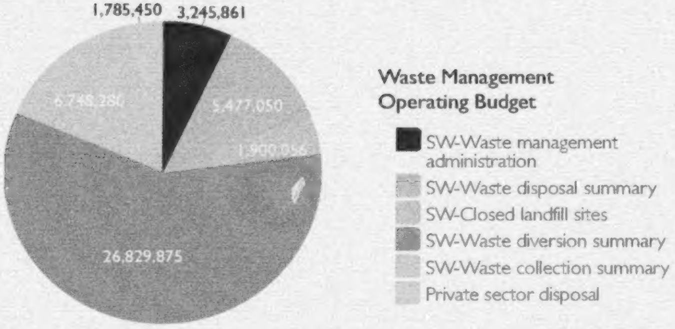


PW: SUMMARY OF BUDGET DRIVERS

Waste Management

The proposed 2013 Waste Management net budget of $34.9 million represents a $950,000 (2.79 per cent) increase from 2012. This total incorporates the $765,000 impact (2.25 per cent) of the cost allocation update undertaken corporately, as well as $185,000 (0.54 per cent) in net departmental-related increases. The most significant departmental pressure for 2013 is the net reduction in other revenue sources of $2.1 million due largely to the weakening recyclables resale market and reduced funding for Blue Box program and Municipal Hazardous and Special Waste (MHSW) programs based on the associated funding formulas. The pressures were largely mitigated through reductions in the budget for contracted costs as a result of favourable RFP results, reduced tonnage estimates compared to the 2012 budget and process improvements, as well as a reduction in the capital program funding in accordance with the capital financing plan.

Object of Expenditure Description	2012 Approved Budget ($)	2013 Approved Budget ($)	2014 Multi Year Budget ($)	2015 Multi Year Budget ($)
Personnel Costs	3,398,977	3,558,200	3,692,912	3,785,422
Administrative Expenses	300,856	300,788	303,115	305,489
Materials, Supplies & Utilities	4,083,158	3,816,890	2,545,097	2,033,304
Repairs & Maintenance	778,823	806,077	752,714	744,606
Purch. Serv. & Other Operating Exp.	37,787,214	36,735,603	37,901,975	39,143,971
Capital Equipment & Renovations	135,664	73,265	73,265	73,265
Interfunctional Chargebacks/Recoveries	-	-	-	-
Transfers to Reserves & Reserve Funds	781,930	552,483	678,304	674,222
Allocations Between Departments	116,653	144,690	152,665	161,142
Allocations Within Departments	161,285	176,329	180,642	184,932
Allocations to Capital Program	(221,185)	(177,753)	(182,206)	(186,067)
Gross Expenditure	**47,323,375**	**45,986,572**	**46,098,483**	**46,920,286**
Taxation - Rate	(34,000,728)	(34,951,034)	(36,589,806)	(38,330,717)
Ontario/Canada Grants	(3,825,228)	(3,376,715)	(3,444,249)	(3,513,134)
Fees & Service Charges	(2,759,847)	(2,736,092)	(2,736,092)	(2,791,092)
Other Revenue	(11,892,772)	(10,272,243)	(8,656,441)	(7,676,240)
Transfers from Reserves & Reserve Funds	-	-	-	-
Gross Revenue	**(52,478,575)**	**(51,336,084)**	**(51,426,588)**	**(52,311,183)**
Expenditure before Indirect Allocation	**(5,155,200)**	**(5,349,512)**	**(5,328,105)**	**(5,390,897)**
Indirect Allocation	321,938	1,107,236	1,209,395	1,265,792
Debt Allocation	4,833,262	4,242,276	4,118,710	4,125,105
Net Indirect Allocation	**5,155,200**	**5,349,512**	**5,328,105**	**5,390,897**
Net Expenditure/(Revenue) after Indirect Allocation	**-**	**-**	**-**	**-**



Program changes that are being proposed for the 2013 budget support the Region's effort to continue to increase the diversion rate with a focus on areas such as; electronic recycling, residential construction and demolition materials, organics diversion at special events and batteries. In addition, a consolidation of the number of MHSW program event days is proposed based on an analysis of participation rates, volumes received and contract costs and to align service levels with the funding provided and municipal comparators.

Pressures anticipated in the years 2014 and 2015 include escalation in the cost of existing contracts based on fixed inflationary escalators, the potential loss of the net revenue currently generated through the enterprising agreements Niagara Region holds with Waterloo and Haldimand, as well as the costs to continue to increase the Region's rate of diversion. Staff will continue to try to identify opportunities to mitigate these anticipated pressures through either cost saving or revenue generating initiatives, as well as to update Council on the market pricing for recyclables and the resulting impact on the Region's revenues.

PW: SUMMARY OF BUDGET DRIVERS

Waste Management

Summary of Budget Drivers	2013	2014	2015
Previous Year	34,000,728	34,951,034	36,589,806
+/- Savings/Revenue Adjustments			
Revenue (Recyclables, WDO, MHSW, etc.)	2,092,797	(809,999)	(123,885)
+/- Other adjustments			
Cost Allocation	765,184	104,415	58,709
Capital Transfer to Reserve & WM debt charges	(800,319)		
+/- Program changes			
Electronic Recycling Curbside Collection Program	254,400		
Residential construction and demolition materials recycling program	243,004		
Special Events Recycling - Addition of Organic Collection	21,000		
Single-Use Dry Cell Batteries Curbside Collection Program	10,000		
Consolidation of Hazardous Waste Program (Event Days)	(159,500)		
Waterloo & Haldimand Agreement Finalization (net)		272,133	127,579
Diversion-related (ex: carpet & mattress recycling depot, organics capacity)		585,000	230,000
+Contractual Costs			
Purchased Services (collection, operations & maintenance contracts, etc.)	(1,419,515)	1,231,302	1,277,993
Personnel Costs	159,223	134,712	92,510
Materials & Supplies, repair & maintenance & other	(215,968)	121,210	78,005
Current Year	**34,951,034**	**36,589,806**	**38,330,717**

Rethink Waste

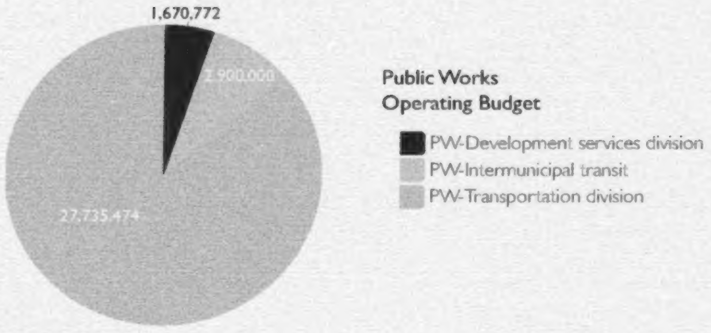
PW: SUMMARY OF BUDGET DRIVERS

Public Works Levy

The Public Works Levy divisions proposed 2013 Budget of $27 million (before Indirect Allocations) represents a $735,000 increase (2.8 per cent) over 2012, and provides for the higher costs anticipated for process inputs such as materials, utilities, and personnel. Additional revenues anticipated in areas such as development services will offset a share of those costs, as well as a net reduction in the budget for traffic signal maintenance to reflect the lower material cost and higher recovery from other municipalities anticipated based on historical trends and expected workload. A reduction in the budgeted amount for the Niagara Regional Transit revenue is also proposed based on the pilot results available at the time of budget preparation.

With the implementation of the new Computerized Maintenance Management System anticipated in 2013, funding to support license and operating costs have been proposed as a program change. In addition $100,000 for each promotion and consulting support for the transit pilot have been identified, with funding to be provided from reserve to reflect the one-time nature of these items.

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	16,500,153	17,457,001	17,985,880	18,412,223
Administrative Expenses	1,112,272	1,336,092	1,334,434	1,337,844
Materials, Supplies & Utilities	6,439,941	6,660,346	6,924,923	7,171,170
Repairs & Maintenance	265,025	323,500	329,870	336,368
Purch. Serv. & Other Operating Exp	7,465,957	7,761,553	7,744,963	7,830,040
Financial Expenditures	500,000	500,000	500,000	500,000
Capital Equipment & Renovations	79,909	80,001	80,884	81,785
Interfunctional Chargebacks/Recoveries	-	-	-	-
Transfers to Reserves & Reserve Funds	1,793,330	2,081,380	1,926,334	2,000,103
Allocations Between Departments	(1,731,768)	(1,753,595)	(1,838,991)	(1,929,604)
Allocations Within Departments	(1,078,468)	(1,118,032)	(1,145,514)	(1,173,222)
Allocations to Capital Program	(764,940)	(1,022,000)	(1,100,338)	(1,123,660)
Gross Expenditure	**30,581,411**	**32,306,246**	**32,742,445**	**33,443,047**
Ontario/Canada Grants	(233,221)	(546,203)	(348,590)	(375,885)
Fees & Service Charges	(2,507,350)	(2,997,600)	(3,087,593)	(3,150,152)
Other Revenue	(1,016,863)	(953,400)	(1,006,760)	(1,065,387)
Transfers from Reserves & Reserve Funds	(550,000)	(800,000)	(350,000)	(100,000)
Gross Revenue	**(4,307,434)**	**(5,297,203)**	**(4,792,943)**	**(4,691,424)**
Expenditure before Indirect Allocation	**26,273,977**	**27,009,043**	**27,949,502**	**28,751,623**
Indirect Allocation	2,867,737	3,131,282	3,361,001	3,507,898
Debt Allocation	18,288,101	19,249,287	20,121,335	20,890,134
Net Indirect Allocation	**21,155,838**	**22,380,569**	**23,482,336**	**24,398,032**
Net Expenditure/(Revenue) after Indirect Allocation	**47,429,815**	**49,389,612**	**51,431,838**	**53,149,655**



Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	26,273,977	27,009,043	27,949,502
+/- Savings/Revenue Adjustments			
Traffic signal maintenance program (net revenue & cost)	(600,000)		
Other revenues & fees (development services, etc.)	(153,250)	(90,852)	(63,436)
+/- Other Adjustments			
Niagara Regional Transit revenue	126,463	(52,500)	(57,750)
Repair & maintenance, purchased services & other	177,239	316,857	231,758
+/- Program Changes			
Niagara Regional Transit promotion & consulting			
Cost (100k for each promotion & consulting in 2013)	200,000	(200,000)	
Transfer from reserve in 2013	(200,000)	200,000	
CMMS license & operating costs	164,492		
Cost sharing for bike lanes, storm sewers & drainage assessments		250,000	250,000
+Contractual Costs			
Personnel costs	648,283	333,808	374,074
Utilities	207,701	68,914	40,312
Salt, sand & granular material	164,138	26,630	27,162
Current Year	**27,009,043**	**27,949,502**	**28,751,623**

Inflationary pressure in materials and utilities has been assumed to continue in the forecast period as has growth in the other revenue sources available to the program area. Cost sharing with the Local Municipalities for bike paths, storm sewers and drainage assessments are currently provided for in the budget with funding provided from reserve. The multi-year forecast currently reflects base funding for these programs through a program change, along with program changes identified to support development approvals and construction administration.

PW: VOLUME METRICS

Transportation: Pavement condition

Preserving our municipal pavement infrastructure is critical for the viable transportation of people and goods. Preventative pavement maintenance and the timely reconstruction of roadways that have reached the end of their useful service life are important in preserving the value of our infrastructure investment.

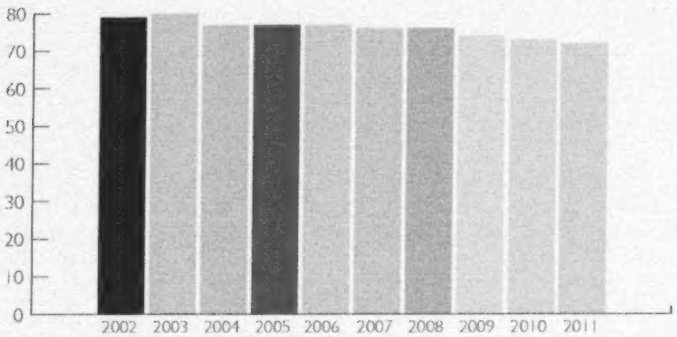
The Region's Pavement Management System (PMS) is consistent with the Ontario Ministry of Transportation Pavement Condition Rating Guidelines for Municipalities and guidelines and procedures recommended by the Ontario Good Roads Association. The Pavement Management System rates conditions on a scale of 0 to 100. The critical trigger for overlays and surface treatments is 60. Once a pavement reaches a condition level of 45, it is scheduled for reconstruction.

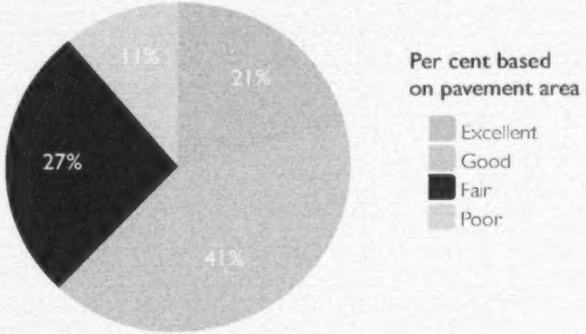
Waste Management: Diversion rates

Since the introduction of new service levels, Niagara's waste diversion rate has increased and is targeted to reach 50 per cent diversion by the end of 2012. The residential waste diversion rate is the percentage of total residential waste generated that is diverted from disposal in a landfill using various reuses and recycling programs. In Niagara, the Region provides weekly curbside collection of Blue Box, Grey Box and Green Bin materials as well as one can/bag of garbage from all households in Niagara with six units or less. This level of weekly curbside collection service to all municipalities in Niagara was introduced in February 2011.

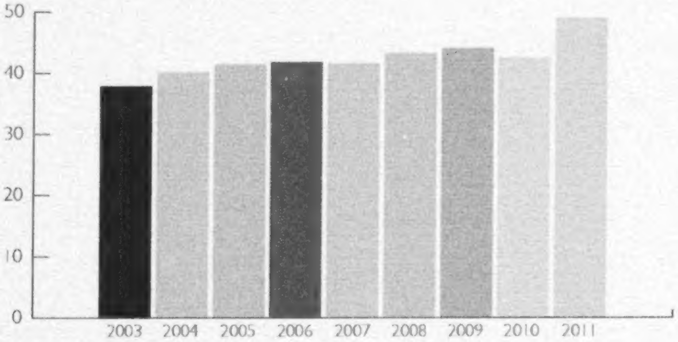
Residents in Niagara continue to demonstrate strong support for the Region's recycling programs with more than 80 per cent of Niagara households consistently participating in the Blue Box program since 2010.

Historical Average Network Pavement Condition Index (PCI) Rating





Residential Waste Diversion Rates



PW: VOLUME METRICS

Water and Wastewater: Flows

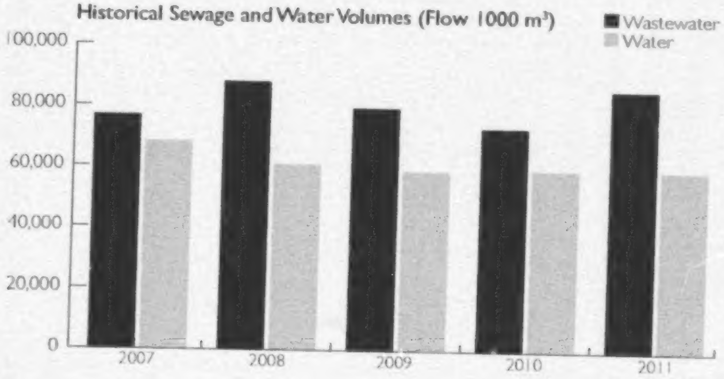
The Water and Wastewater Division tracks the flow of water produced by Niagara Region as well as the flow of wastewater that is treated by the Region. These numbers provide an historical basis for the prediction of future water use. Predictions on future water flows are one of the primary drivers behind the setting of the water rate for the coming year.

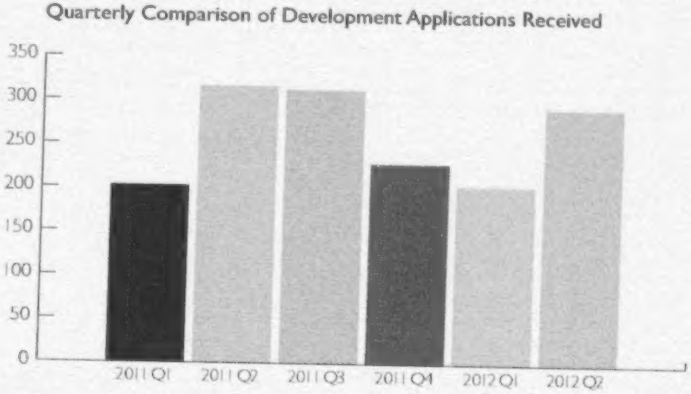
Over the last four years water flows have remained fairly consistent while wastewater flows have seen a wider variation from year to year primarily due to weather conditions. An increase in wet weather, including snow melts, increases the amount of wastewater that needs to be treated.

Development Services: Application/turnaround times

The Regional Policy Plan sets out Council's objectives and policies respecting growth management, resource protection, agricultural land preservation, infrastructure planning, and economic development. The Development Services Division plays a key role in implementing the Plan. The division provides a "one-window" Regional review bringing together comments related to engineering, planning and public health issues. The division also reviews municipal servicing applications filed with the Ministry of the Environment and private sewage system applications or inspections required under Part 8 of the Ontario Building Code.

Development Services places a high priority on prompt application turn-around. The division responds to approximately 90 per cent of all applications on or before the due dates and is actively working to improve these results.





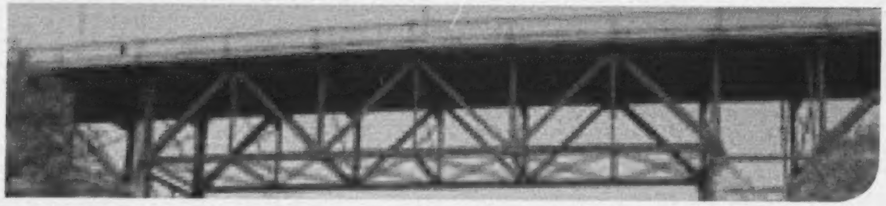
PW: LEVY CAPITAL PROGRAM

Public Works Fleet

Project ID	Project Description	Gross Capital Request
ZSS1302	Vehicle & Equipment Replacement Program	4,374,000

Public Works Transportation

Project ID	Project Description	Gross Capital Request
ZRC1333	Annual - Development Related Projects	1,000,000
ZRC1334	Annual - Engineering for future projects	200,000
ZRC1335	Annual - Guide Rail Improvement Program	350,000
ZRC1336	Annual - Illumination Installation	300,000
ZRC1337	Annual - Major Culvert Replacement Program	50,000
ZRC1338	Annual - Miscellaneous Road Properties	200,000
ZRC1339	Annual - Railway Crossing Improvement	50,000
ZRC1340	Annual - Sign Processing Equipment	30,000
ZRC1341	Annual - Storm Sewer Program	400,000
ZRT1303	Annual - Traffic Signal Program (Signal Rehab 1.2M, New Signals 450K, Beacons 40K)	1,690,000
ZRC1342	Annual - Transportation Master Plans	800,000
ZRC0940	Cpcty. Imprv. - New Hwy 406 interchange from Interchange at First / Third	3,000,000
ZRC0912	Cpcty. Imprv. - Casablanca Blvd widening 2 to 4/5 lanes from Livingston to QEW	250,000
ZRC0227	Cpcty. Imprv. - Fourth Ave. widening 2 to 4/5 lanes from Vansickle Rd. to Third St.	1,800,000
ZRC1360	Cpcty. Imprv. - Livingstone Ave. - new 2 lane road from Casablanca to Regional Rd 81	250,000
ZRC0627	Cpcty. Imprv. - Martindale Rd - EA & Detailed Design from Elderwood to QEW	500,000
ZRC0933	Cpcty. Imprv. - McLeod Rd widening 4 to 5 lane from Phase 1 - Montrose, Pinoak to HEPC	2,600,000
ZRC1236	Cpcty. Imprv. - New Escarpment Crossing	350,000
ZRC1343	Cpcty. Imprv. - New West St. Cath Grade Separation (Louth/Vansickle/First/St. Paul W)	500,000
ZRC1344	Cpcty. Imprv. - Niagara Stone Road widening 2 to 3 lanes from Virgil to East/West Line	350,000
ZRC0816	Cpcty. Imprv. - Thorold Stone Rd. new 4 lane road from Extension east of Stanley Ave	2,500,000
ZRC1345	Int. Imprv. - Lundy's Lane @ Kalar Road (Rebuild Signal & turning lanes)	800,000
ZRC1016	Int. Imprv. - Niagara Stone Rd @ Concession 6 (Roundabout)	2,200,000
ZRC1346	Int. Imprv. - Regional Road 20 Roundabouts @ Industrial Park Road & South Grimsby Rd 6	350,000
ZRC1347	Int. Imprv. - Woodlawn Road @ Hwy 406 (Illumination - MTO Cost Sharing)	810,000
ZRC1348	Rds Equip Prgm - Equipment Replacement Upgrades	100,000
ZRC1349	Rds Equip Prgm - Mobile Solutions	150,000
ZRC1151	Rds Fac Prgm - Pelham Patrol Yard	200,000
ZRC1350	Rds Rehab - Bridge Street from Victoria Ave to Erie (Cost Share with City)	300,000
ZRC1351	Rds Rehab - Canborough Road - Embankment stab & road reconstruction from Baldwin Road	500,000
ZRC1241	Rds Rehab - Canborough Road reconstruction from Townline Rd to Regional Road 20	5,400,000
ZRC0803	Rds Rehab - Glendale Ave reconstruction & widening from Jacobsen Ave to Burleigh Hill	1,000,000
ZRC1155	Rds Rehab - Killaly Street West reconstruction from King Street to Steele Street	5,900,000
ZRC1352	Rds Rehab - Lakeshore Rd (Phase 2) - reconstruction from Lakeport to Lake Street	750,000
ZRC1353	Rds Rehab - Lakeshore Rd (Phase 3) - reconstruction from Lake St to Geneva & Bradmon Dr	250,000
ZRC1354	Rds Rehab - Lakeshore Rd West reconstruction from Third Street to Seventh Street	500,000
ZRC1003	Rds Rehab - Main Street reconstruction from Phase 2 Third St to Henley	500,000
ZRC0934	Rds Rehab - Mountain St reconstruction from Hill Side to King St	500,000
ZRC1006	Rds Rehab - Niagara St reconstruction from Vine to Carlton	2,500,000
ZRC1009	Rds Rehab - Old Hwy 20 embankment/ drainage improvements from Pelham St to Haist St	1,000,000
ZRC1355	Rds Rehab - Roads Resurfacing Program	6,100,000
ZRC1356	Rds Rehab - St. David's Road operational Improvements & Bike Lanes from Merrittville Hwy to Hwy 406	400,000
ZRC0236	Rds Rehab - St. Paul Street West - Realignment & River Crossing from Ninth St to Seventh St	550,000
ZRC0539	Rds Rehab - Stanley Avenue reconstruction -from Thorold Stone Rd to Valley Way	3,900,000
ZRC1357	Struc Rehab - Bowen Rd @ QEW - Cost sharing with MTO	500,000
ZRC0944	Struc Rehab - Burgoyne Bridge - Replacement Over Hwy 406 & 12 Mile Creek (Str. 081220)	59,000,000
ZRC1358	Struc Rehab - Main Street Bridge (Str. 027220) - Painting over abandoned Welland Canal	300,000
ZRC1359	Struc Rehab - Structural Rehabilitation Program Construction (Region Wide)	1,000,000
Total		**112,630,000**



PW: RATE CAPITAL PROGRAMS

Water

Project ID	Project Description	Gross Capital Request
ZCW1301	Misc Prgm - Elevated Tank painting program	2,000,000
ZCW1302	Misc Prgm - Grimsby System Storage	250,000
ZCW1303	Misc Prgm - Master Meter Replacement Program	200,000
ZCW1304	Misc Prgm - Port Colborne Storage	800,000
ZCW1305	Misc Prgm - Reservoir & Storage Upgrades Program	500,000
ZCW1306	Misc Prgm - Stevensville Reservoir and Pump Station expansion	275,000
ZCW1307	Misc Prgm - Valve Chamber Upgrade Program	750,000
ZCW1308	WM Prgm - Martindale Watermain approximately 600m stretch	150,000
ZCW1309	WM Prgm - Martindale Watermain crossing the J.R. Stork Bridge	500,000
ZCW1310	WM Prgm - St. David's Watermain Condition Assessment	300,000
ZCW1311	WM Prgm - Watermain Evaluation and Replacement Program	50,000
ZCW1110	WM Prgm - Watermain Replacement Farr Ave / Highland Ave.	2,000,000
ZCW0405	WM Prgm - Watermain replacement on Collier Rd.	4,500,000
ZCW1112	WTP Upgrade Prgm - Grimsby WTP Upgrade - Building Structure Upgrade	3,500,000
ZCW1210	WTP Upgrade Prgm - Grimsby WTP Upgrade - Mechanical (High Lift) Upgrades	1,200,000
ZCW1312	WTP Upgrade Prgm - Grimsby WTP Upgrade - Mechanical (Valve) Upgrades	300,000
ZCW1313	WTP Upgrade Prgm - Niagara Falls WTP upgrade	250,000
ZCW1314	WTP Upgrade Prgm - Port Colborne WTP Upgrade	600,000
ZCW1315	WTP Upgrade Prgm - Roof replacement program at Water facilities	100,000
ZCW1316	WTP Upgrade Prgm - Rosehill WTP upgrade	900,000
Total		**19,125,000**

Waste Management

Project ID	Project Description	Gross Capital Request
ZGL1314	Annual Program - Leachate Seep Remediation*	50,000
ZGL1315	Annual Program - Property Acquisition	200,000
ZGL1316	Annual Program - Pump Station Rehabilitation and Upgrades	100,000
ZGL1317	Annual Program - Well Installation/Removal	100,000
ZGL1318	Bridge Street - Public Drop Off Depot Improvements	75,000
ZGL1319	Glenridge Quarry - Leachate Collection System Upgrades	100,000
ZGL1320	Humberstone - Access Road and Public Drop-off Centre (PDC) Paving	350,000
ZGL1215	Humberstone - Discharge Capacity Upgrade	300,000
ZGL1321	Humberstone - Storm Pond Valves	50,000
ZGL1322	Line 5 - Leachate Collection System Upgrades	100,000
ZGL1323	Mountain Road - Constructed Wetlands/Storm Pond Expansion	60,000
ZGL1324	NR 12 - New Scales	150,000
ZGL1325	Quarry Road - Site Improvements	50,000
ZGL1326	Recycling Centre - Facility Improvements	1,297,000
Total		**2,982,000**

Wastewater

Project ID	Project Description	Gross Capital Request
ZSW1302	Manhole Rehabilitation Program	150,000
ZSW1303	Misc Prgm - Biogas Utilization	1,200,000
ZSW1304	Misc Prgm - Roof Replacement Program	250,000
ZSW1305	Misc Prgm - Solids Meters	600,000
ZSW1306	PS Improvement Program (Design / Construction)	9,250,000
ZSW1307	Sewer & Forcemain Prgm - Confederation Heights P.S. Forcemain Replacement	500,000
ZSW1308	Sewer & Forcemain Prgm - Jordan Valley Forcemain	750,000
ZSW1309	Sewer & Forcemain Prgm - Old Orchard PS Forcemain	900,000
ZSW1310	Sewer & Forcemain Prgm - Sewer Upgrade Ontario Road	1,500,000
ZSW1311	Sewer & Forcemain Prgm - Wellandvale Forcemain	500,000
ZSW1312	Sewer & Forcemain Prgm - Woodsview PS Forcemain	720,000
ZSW1313	Sewer Relining Program	3,410,000
ZSW1314	Wet Weather Flow/CSO Control Program	6,600,000
ZSW1315	WWTP Upgrade Prg - Niagara Falls WWTP Upgrade	250,000
ZSW0807	WWTP Upgrade Prg - NOTL WWTP Decommissioning	250,000
ZSW1316	WWTP Upgrade Prg - Port Dalhousie WWTP Upgrade - Laneway Upgrades	1,500,000
ZSW1317	WWTP Upgrade Prg - Port Weller Fine Bubble Aeration	1,000,000
ZSW1001	WWTP Upgrade Prg - Port Weller WWTP Upgrade	1,000,000
ZSW0718	WWTP Upgrade Prg - Queenston WWTP Upgrade	250,000
ZSW1318	WWTP Upgrade Prg - SCADA and Instrumentation Upgrade program	250,000
ZSW0806	WWTP Upgrade Prg - Welland WWTP Upgrade	250,000
ZSW1319	WWTP Upgrade Prg - WWTP Digester/Sludge Management Program	1,000,000
Total		**32,080,000**

NIAGARA PENINSULA CONSERVATION AUTHORITY (NPCA)

Departmental Overview

The Niagara Peninsula Conservation Authority's (NPCA) area of jusidiction encompasses all of Niagara Region; 21% of the City of Hamilton and 25% of Haldimand County covering an area of 2424 sq. kilometers serving a population of approximately 500,000 people.

The Conservation Authority is governed by a 15 member board appointed by the member municipalities as follows: Niagara Region – 12 members; City of Hamilton – 2 members; Haldimand County – 1 member. Board members collectively provide direction to the CAO through the consideration and adoption of the Conservation Authority goals and objectives, policies, operational plans and budgets. The chair and vice-chair comprise the executive committee.

The Conservation Authorities Act defines the objects of an authority: 'to establish and undertake, in the area over which it has jurisdiction, a program designed to further the conservation, restoration, development and management of natural resources other than gas, oil, coal and minerals'.

The NPCA fulfills this mandate through its programs and by providing contracted services to area municipalities, and other provicnial and federal agencies.

Lines of Business

The Conservation Authority's operating budget comprises seven lines of business driven by provincial manadate, local needs and initiatives and contracted services. These include:

- Corporate Services
- Resource Inventory & Environmnetal Monitoring
- Flood Protection Services
- Environmenatl Advisory Services
- Conservation Land Management
- Vehicles and Equipment
- Projects

These programs and services focus on fulfilling the Conservation Authority's core mandate: *to protect people and property.*

Organizational Realignment of Development Services

In order to better meet its needs in the area of providing Municipal Plan and Development Review services, the authority undertook a realignment of the Development Services function in order to more appropriately serve the needs of our member municipalities.

Strategic Planning Process

In the last year, a major board priority to begin the process of developing a Strategic Plan was executed. This important step will guide the board's vision for a strengthened and renewed conservation authority. A number of internal changes have been made in an effort to meet customer needs and deliver balancedregulatory services that recognize conservation and economic progress can co-exist.

The next phase of the Strategic Plan will involve a more indepth evaluation of the NPCA's lines of business with a focus on identifying opportunities for performance and operating improvements.

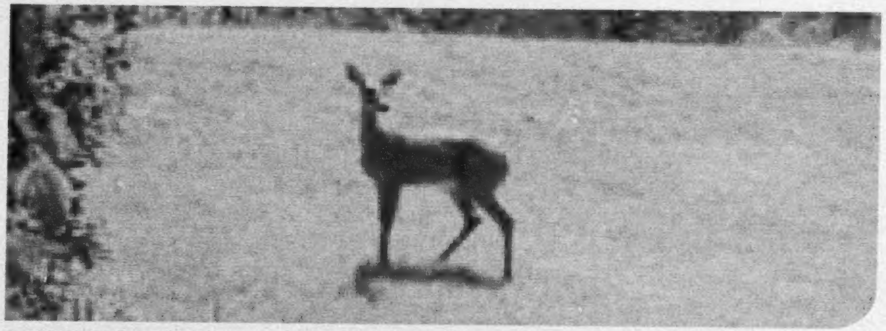
NPCA: BUDGET SUMMARY

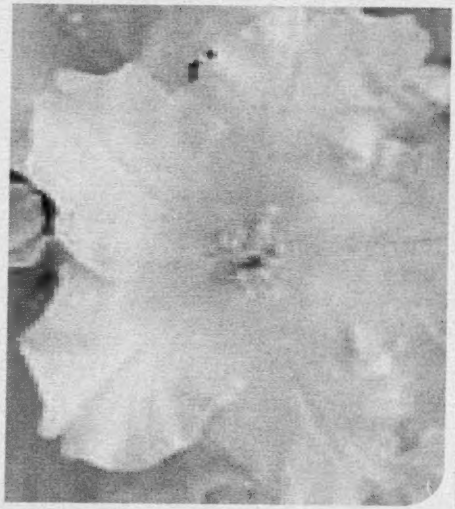
The proposed 2013 budget request falls within set guidance. There are no additional staff included within the current proposed budget.

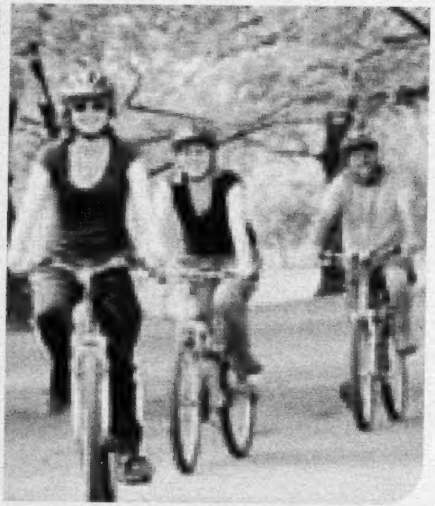
No new initiatives are planned and many of the programs and projects are expected to continue into 2013. This may need some realignment of resources pending the recommendations developed as a result of the Strategic Planning process.

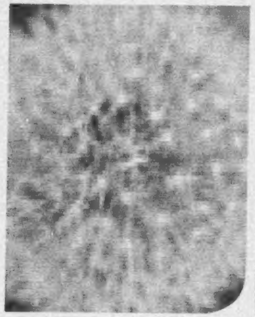
Gross $7,046,730 - Net $6,746,730. In 2013, NPCA requested $6,746,730 from Regional council.

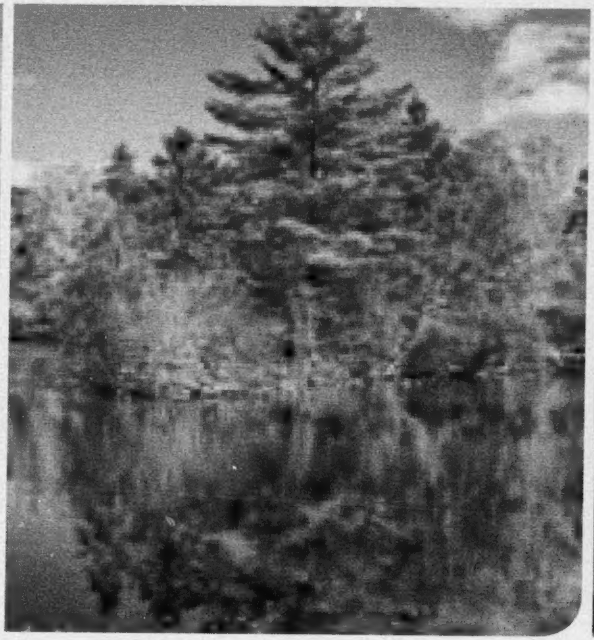
	2012 Approved Budget ($)	2013 Approved Budget ($)	2013 Change ($)
Financial Expenditures	6,857,104	7,046,730	189,626
Gross Expenditures	**6,857,104**	**7,046,730**	**189,626**
Transfers from Reserves & Reserve Funds	(300,000)	(300,000))	
Revenues	**(300,000)**	**(300,000)**	
Total Levy	**6,557,104**	**6,746,730**	**189,626**











NIAGARA REGIONAL HOUSING (NRH)

Board Overview

Niagara Regional Housing (NRH) has been the administrator of affordable housing for Niagara Region since 2002. Governed by a community-based Board of Directors, NRH provides and advocates for quality affordable housing in Niagara through a combination of programs and services including:

- Ownership and property/asset management of a 2700 unit rental portfolio valued at over $200 million
- Legislative responsibility for the funding and oversight of a further 4,000 units owned by non-profit and co-operative housing providers
- System management, including funding, for an additional 900 units under rent supplement and housing allowance programs with private landlords
- Administration of the affordable housing waiting list of over 5600 households

NRH is introducing three new temporary programs in the 2013 budget that are funded in their entirety by the provincial and federal governments. These off-the-levy programs are:

- Niagara Renovates - home renovation program
- Welcome Home Niagara - down-payment assistance for the purchase of a new home
- New affordable housing development – construction of a 65 unit senior citizen apartment building

Through these programs, NRH is able to offer a continuum of affordable housing options to more than 30,000 people or 14,000 households with low to mid incomes. All programs are delivered within a legislated environment and in particular, the Housing Services Act (HSA), which is provincial legislation applicable to affordable housing throughout Ontario.

NRH: SUPPORTING COUNCIL BUSINESS

As administrator of affordable housing for Niagara Region, NRH's Business and Strategic Plans are strongly aligned with the Region's to provide responsive, effective services in Niagara. NRH's mission is "to expand opportunities that make affordable housing an integral part of building healthy and sustainable communities in Niagara".

In order to address the many affordable housing needs across the region, NRH relies on a wide range of partnerships with all orders of government, community agencies and private developers to find innovative housing solutions and to support strong, healthy affordable housing communities.

NRH: BUDGET SUMMARY

The Niagara Regional Housing Board of Directors approved the 2013 Operating and Capital budgets within the context of balancing fiscal restraint with legislative requirements.

NRH is requesting $25,887,921 (50.8 per cent) in funding from Niagara Region. NRH will be receiving $9,330,055 (18.3 per cent) from the Federal Government and $3,037,186 (six per cent) from the Provincial Government and $95,000 (0.2 per cent) from NRH reserve funds. The remaining $12,560,700 (24.7 per cent) will come from rents received from tenants. These numbers do not include indirect allocations.

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	3,958,287	4,060,166	4,150,638	4,246,339
Administrative Expenses	237,224	247,224	247,224	182,224
Materials, Supplies & Utilities	5,074,352	5,233,134	5,559,258	5,801,142
Repairs & Maintenance	3,600,143	3,761,133	3,873,952	3,990,156
Purch. Serv. & Other Operating Exp.	4,459,647	4,734,165	4,830,794	4,929,753
Financial Expenditures	2,967,338	3,161,253	3,161,253	2,996,743
Capital Equipment & Renovations	30,000	30,000	30,000	30,000
Interfunctional Chargebacks/Recoveries	-	-	-	-
Housing Provider Subsidy & Supplements	26,618,221	28,649,595	28,640,591	27,456,990
Transfers to Reserves & Reserve Funds	476,424	493,048	847,832	771,684
Allocations Between Departments	532,636	541,144	548,455	556,251
Gross Expenditures	**47,954,272**	**50,910,862**	**51,889,997**	**50,961,282**
Ontario/Canada Grants	-	-	-	-
Other Revenue	(22,204,934)	(24,927,941)	(24,766,289)	(23,269,244)
Transfers from Reserves & Reserve Funds	(755,000)	(95,000)	(95,000)	-
Gross Revenues	**(22,959,934)**	**(25,022,941)**	**(24,861,289)**	**(23,269,244)**
Expenditure before Indirect Allocation	**24,994,338**	**25,887,921**	**27,028,708**	**27,692,038**
Indirect Allocation	880,636	901,929	980,249	1,023,332
Net Indirect Allocation	**2,756,137**	**3,078,194**	**3,210,920**	**3,309,770**
Net Expenditure/(Revenue) after Indirect Allocation	**27,750,475**	**28,966,115**	**30,239,628**	**31,001,808**

NRH: SUMMARY OF BUDGET DRIVERS

Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	24,994,338	25,887,921	27,028,708
Savings (list items)			
+/- Other one time adjustments			
+/- Program Changes			
+Contractual Costs	**893,583**	**1,140,787**	**663,330**
Current Year	**25,887,921**	**27,028,708**	**27,692,038**

Legislated Housing Provider Subsidy

When the 2.57 per cent guidance was applied, many of the anticipated increases for various accounts were addressed. However the guidance amount was only sufficient to bring the housing provider subsidy account to the current year level. An additional $250,000 will be needed for 2013 to meet legislative requirements.

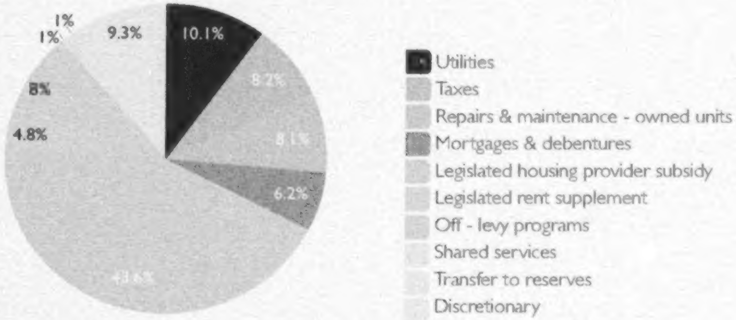
This account, which provides funding to 66 non-profit and co-operative housing providers, who own 4,000 units of affordable housing, is based on a legislated formula. Subject to inflationary factors provided by the province for expenses and revenue, the subsidy is not within the control of NRH.

Housing provider subsidy is the highest single expenditure in the NRH budget representing 43.6 per cent of the 2013 budget. This account was overspent last year and projected to be overspent this year.

To better understand this pressure it is important to understand the allocations that exist within the NRH Operating budget:

- 82.7 per cent of the budget is for non-discretionary items such as legislated subsidy, utilities, taxes, maintenance repairs, mortgages etc.
- 9.3 per cent is for discretionary items such as salaries, office overhead, board expenses and community support programs
- 8 per cent for the Off-Levy programs are financed by the federal and provincial governments

With such a high proportion of the NRH budget dedicated to non-discretionary items there is limited opportunity to absorb over expenditures.



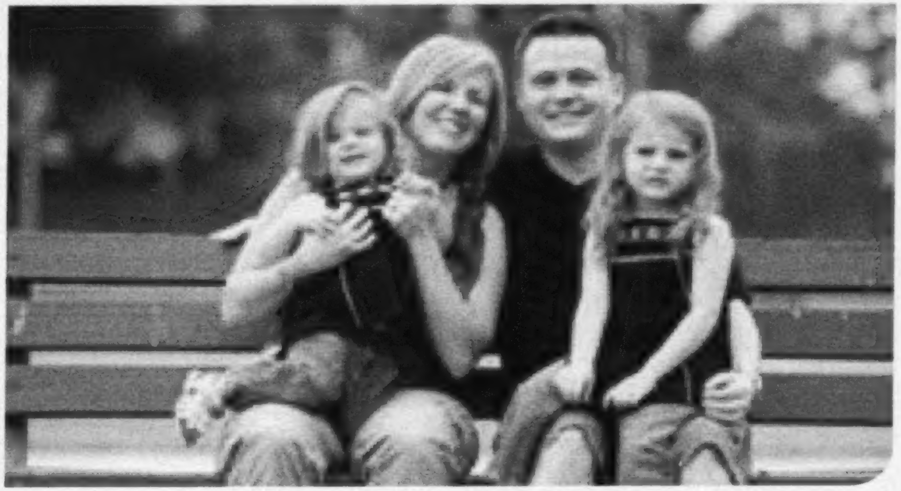
NRH: CAPITAL PROGRAM

Owned Units

NRH owns and manages 2,693 units in high-rise apartment buildings, townhouses and detached homes. The 6,500 tenants who live in these units pay rent based on 30 per cent of gross household income. The NRH units, which were built between 1950 and 1980 is an older portfolio that faces an increasing need for capital repairs. The 2013 capital budget will extend the life of buildings and components through replacement of roofs, elevators, and upgrades to parking lots and walkways. Tenants' units will be improved through the replacement of kitchens and bathrooms which have reached the end of their life expectancy.

Funding for the 2013 capital budget of $4,145,052 is shared between the Federal Government ($1,033,677 or 25 per cent), NRH Reserve Fund ($466,706 or 11 per cent) and debenture financing ($2,644,669 or 64 per cent).

Project ID	Project Description	Gross Capital Request
ZRH1302	Building Capital	1,439,733
ZRH1303	Emergency Capital	200,000
ZRH1304	Grounds Capital	521,700
ZRH1305	Units Capital	1,983,619
Total		**4,145,052**



NIAGARA REGIONAL POLICE SERVICE (NRPS)

Mission and Values

The Niagara Regional Police Service is dedicated to serving and protecting residents and visitors within the Niagara region.

In partnership with the community, we shall provide quality policing services with integrity, diligence and sensitivity.

Organizational Context

- Serve and protect residents and visitors within the 12 municipalities
- Amalgamated in 1971 from former municipal police services
- Responsible for one of the largest geographical areas policed in Ontario, with a land policing area of 1,850 square kilometres
- Delegated responsibility for issues such as waterways policing and border security
- Over 131,000 annual calls for service (based on 5 yr. avg.)
- Funded by Niagara Region
- Oversight by Police Services Board
- Governed by Adequacy Standards set by the province
- Limitations on revenue generation which is restricted to cost recovery for selected areas

91 Programs in the following categories:

- Community Policing: three District Patrol Regions
- Victim Services
- Emergency Services
- Investigative Services
- Administration and Administrative Support
- Courts Services
- Booking and Detention
- Technology Support

NRPS: BUDGET SUMMARY

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	120,224,768	123,947,192	126,304,249	128,663,262
Administrative Expenses	1,734,538	1,692,475	1,709,400	1,726,494
Materials, Supplies & Utilities	4,890,309	5,002,274	5,143,543	5,290,788
Repairs & Maintenance	2,194,682	2,184,200	2,206,042	2,228,102
Purch. Serv. & Other Operating Exp.	3,356,529	3,106,145	3,106,145	3,137,206
Financial Expenditures	4,000	4,000	4,000	4,000
Capital Equipment & Renovations	547,090	542,800	542,800	542,800
Allocations Between Departments	(1,102,388)	(1,084,930)	(1,106,629)	(1,128,761)
Transfers to Reserves & Reserve Funds	3,825,000	4,749,664	4,749,664	4,749,664
Gross Expenditures	**135,674,528**	**140,143,820**	**142,659,214**	**145,213,555**
Fees & Service Charges	(6,675,426)	(6,538,767)	(6,538,767)	(6,538,767)
Other Revenue	(6,072,157)	(6,903,769)	(6,903,769)	(6,903,769)
Transfers from Reserves & Reserve Funds	(320,000)	(575,000)		
Gross Revenues	**(13,067,583)**	**(14,017,536)**	**(13,442,536)**	**(13,442,536)**
Expenditure before Indirect Allocation	**122,606,945**	**126,126,284**	**129,216,678**	**131,771,019**
Indirect Allocation	5,112,775	5,251,852	5,617,083	5,819,479
Debt Allocation	4,869,870	6,096,071*	6,248,473*	6,404,683*
Net Indirect Allocation	**9,982,645**	**11,347,923**	**11,865,556**	**12,224,162**
Net Expenditure/(Revenue) after Indirect Allocation	**132,589,590**	**137,474,207**	**141,082,234**	**143,995,181**

Debt allocated for new long term accommodations is net of reserve transfer funded from provincial court uploading grant

Niagara Regional Police Service
Niagara Emergency Medical Services

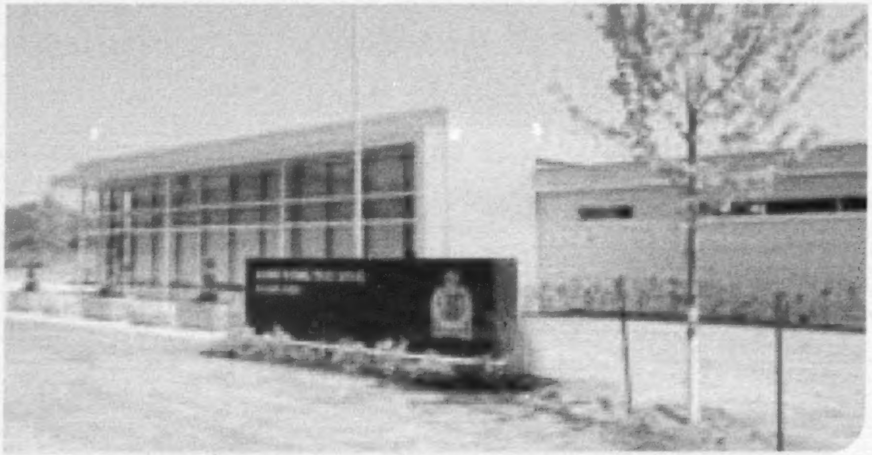
NRPS: SUMMARY OF BUDGET DRIVERS

The Proposed 2013 Police Service Operating Budget was prepared with the objective of achieving a realistic, sustainable cost estimate for providing Policing Services. Total net expenditures for the Service are comprised mostly of personnel costs. The authorized strength of the Service is 704 Uniform and 319 Civilian members.

A number of steps were taken to mitigate the 2013 budget impact and meet recommended guidance. These consisted of rationalization and reduction of discretionary expenditures and reprioritization and realignment of existing resources rather than increasing staffing to address workload needs. There are some risks associated with the proposed budget, including the outstanding collective agreement arbitration decision, implementation of the 3 year business plan for 2013 to 2015, officer workload studies, and the implementation of the long term accommodation plan. There is one program change included in the operating budget with a total net expense of $43,948.

In total, the consolidated net expenditure budget increase for the Niagara Regional Police Service and the Board is $3.5 million or 2.87 per cent.

Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	122,606,945	126,126,284	129,216,678
-Savings /Revenue Adjustments			
Administrative Expenses	(42,063)		
Consulting Exp.	(214,000)		
Transfer to Capital Levy Reserve	(100,000)	23,500	
Transfer from Sick Leave Res. Fund	(325,000)	575,000	
Increase in Court Security Upload	(1,024,664)		
Other Revenues	(156,947)		
Other Gross Exp.	(32,103)	20,779	75,566
+/- Other Adjustments			
Termination Sick Leave Payouts	325,000		
Other Personnel Costs	3,353,476	2,357,057	2,359,014
Fuel Exp.	110,370	114,058	119,761
Transfer of Court Security Upload to Reserve Funds	1,024,664		
Grant Revenue	420,000		
Service Contracts	136,658		
+/-Program Changes	43,948		
Current Year	**126,126,284**	**129,216,678**	**131,771,019**



NRPS: CAPITAL PROGRAM

The Capital Budget and Forecast provides a long-term strategy for acquiring assets that are utilized to provide services over a number of years. When a significant capital acquisition is made, the replacement of that asset is included in to the forecast in a timeframe consistent with its estimated useful life. As a result, the forecast serves as a comprehensive guideline for the Service that is very important for ensuring continuity of services provided as well as enhancing the accuracy of long-term financial plans. The 2013 Capital Budget was approved by the Niagara Regional Police Service

Niagara Regional Police Service Capital Budget	**2012 Forecast for 2013 $**	**2013 Program Changes $**	**2013 Capital Budget $**	**Total Project Costs $**
Vehicles	1,600,000		1,600,000	1,600,000
IT Equipment Replacement	800,000		800,000	800,000
Network & Telecom. Infrastructure	100,000		100,000	100,000
Capital Asset Acquisitions	200,000	(156,000)	44,000	44,000
Voice Radio System	15,000,000		15,000,000	15,000,000
Total	**17,700,000**	**(156,000)**	**17,544,000**	**17,544,000**

PROVINCIAL OFFENCES ACT (POA)

Departmental Overview

In January 2001, the Province of Ontario, as part of its strategy to realign provincial and municipal roles in the delivery of public services, transferred the responsibility for the administration and prosecution of Provincial Offences to Niagara Region.

Niagara Region, acting as agent on behalf of the 12 local area municipalities, has established its own administration and courtrooms to deal with charges laid under the Provincial Offences Act (POA).

In administering the POA Courts, Niagara's staff are responsible for setting trials, prosecuting certain Provincial Offence matters, recording court proceedings, and receiving fine payments resulting from charges laid by the various police forces and enforcement agencies operating within Niagara. The Region upholds the decisions of the court by pursuing enforcement of unpaid POA fines.

The Provincial Offences Act (POA) is a procedural law for administering and prosecuting Provincial Offences including those committed under the Highway Traffic Act, the Compulsory Automobile Insurance Act, the Trespass to Property Act, the Liquor Licence Act and other provincial legislation, municipal by-laws and minor federal offences. The POA governs all aspects of the legal prosecution process, from serving an offence notice to an accused person to conducting trials including sentencing and enforcement of court decisions.

OFFICES OF
71 KING ST.
Provincial Offences Court

POA: SUPPORTING COUNCIL BUSINESS

POA is focused on the following priorities in support of the 2012 – 2015

Council Business Plan Goal – "Responsive Region"

- Technological solutions to enhance customer service and reduce costs including e-ticketing, video conferencing, and electronic disclosure
- Early resolution within the courts, reducing time to get matter to trial, and expediting the resolution of cases
- More aggressive enforcement of collections

POA Budget Summary

The proposed 2013 budget continues to distribute $1 million to the area municipalities and the Region, with gross expenditures of $7,825,603, against total revenues of $8,825,603. This represents a decrease of 3 per cent over the 2012 budget, or $250,446. This was achieved through a reduction in costs (victim fine surcharge – $50,000, interpreter expense - $20,000 and business forms - $24,000), but largely through the suspension of the 2013 transfer of $500,000 to the long-term accommodation reserve.

Additionally, the IT Solutions capital budget in 2013 includes $100,000 to address a number of technological changes and enhancements for POA courts.

POA: BUDGET SUMMARY

Significant drivers for the 2013 POA budget include ongoing volume increases across most of the major service areas, this includes counter service contacts, trial requests, and courtroom utilization hours. Increases to our service requests and demands places pressure on budget, staffing and customer service levels. This then drives our need for technological improvements and innovations to maintain and enhance our capacity to meet the needs of our clients.

Repair and maintenance costs for our aging facilities continues to affect our annual budget as well with an additional $48,000 forecasted in repair and maintenance costs for 2013.

CITY CENTRE COMPLEX

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2014 Multi Year Budget ($)**	**2015 Multi Year Budget ($)**
Personnel Costs	1,882,013	1,973,344	2,124,156	2,223,086
Administrative Expenses	38,084	42,722	38,359	39,014
Materials, Supplies & Utilities	108,867	84,582	86,249	87,833
Purch. Serv. & Other Operating Exp.	3,775,178	3,800,547	3,811,090	3,825,411
Financial Expenditures	120,000	120,000	120,000	120,000
Capital Equipment & Renovations	34,620	28,344	28,649	29,479
Interfunctional Chargebacks/Recoveries	-	-	-	-
Transfers to Reserves & Reserve Funds	1,500,000	1,000,000	1,000,000	1,000,000
Allocations Between Departments	13,100	10,958	10,958	10,958
Allocations Within Departments	-	-	-	-
Gross Expenditures	**7,471,862**	**7,060,497**	**7,219,461**	**7,335,781**
Other Revenue	(9,076,049)	(8,825,603)	(9,036,434)	(9,179,690)
Gross Revenues		**(8,825,603)**	**(9,036,434)**	**(9,179,690)**
Expenditure before Indirect Allocation	**(1,604,187)**	**(1,765,106)**	**(1,816,973)**	**(1,843,909)**
Indirect Allocation	733,483	737,192	783,274	809,368
Debt Allocation	38,210	27,914	33,699	34,541
Net Indirect Allocation	**771,693**	**765,106**	**816,973**	**843,909**
Net Expenditure/(Revenue) after Indirect Allocation	**(832,494)**	**(1,000,000)**	**(1,000,000)**	**(1,000,000)**

POA: SUMMARY OF BUDGET DRIVERS

Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	9,076,049	8,825,603	9,036,434
+/- Savings/Revenue Adjustments			
Reserve Transfer - Facilities	(500,000)		
Victim Fine Surcharge - Reduction	(50,000)		
Administrative Expenses	(44,848)	(4,363)	
+/- Other Adjustments			
Province - Adjudication	70,000		
+/- Program changes			
Staffing Changes	59,616	82,415	
+ Contractual Costs			
Personnel Costs	91,331	91,196	16,515
Other Operating Expenses	183,071	64,382	44,326
Current Year	**8,825,603**	**9,036,434**	**9,179,690**

GENERAL GOVERNMENT (GG)

(Gross $70,115,656 – Net $67,740,923)

The general government section of the operating budget covers areas such as property assessment costs, 911 services, general financial expenses, as well as capital financing costs. These are described as follows:

Municipal Property Assessment (Net $6,064,054)

Since 1998 the Region has had the responsibility to fund costs associated with Property Assessment Services. These services are directly provided by the Municipal Property Assessment Corporation (MPAC). In 2013, this service is expected to cost $6,064,054.

911 Emergency Phone Services (Net $1,240,540)

The Region has contracted with the Police Services Board to meet its responsibilities to provide 911 emergency telephone services to the regional community. In 2013 a request for a $151,941 or 2.57 per cent increase is proposed to council. This increase is mainly related to costs associated with staffing the call centre.

Tax Increment Financing (Net $230,000)

The Tax Increment Financing Program is to provide a budget amount for agreements that support development/redevelopment in the Gateway Zone and Centre as well as brownfield redevelopment in the region.

General Expenditures (Gross $4,200,060 – Net $3,481,760)

General Expenditures covers non-departmental specific items such as sick leave payouts, retiree benefits, and reserve transfers. The 2013 budget presented to Council was ($695,243) or (16.64 per cent) lower than the preceding year. This decrease was due to lower reserve transfers in the contingency fund.

GG: SUMMARY OF BUDGET DRIVERS

Summary of Budget Drivers	**2013**	**2014**	**2015**
Previous Year	65,632,114	67,740,923	70,021,187
-Savings /Revenue Adjustments			
Other revenue	10,000		
Transfer from reserve	(89,950)	250,000	
+/- Other Adjustments			
Transfers to Reserves	(855,620)	172,369	133,000
Transfers to Reserves-Capital	229,797	229,283	235,015
Tax Increment Financing	30,000	270,000	100,000
+/-Program Changes			
+Contractual Costs	63,176	(11,010)	2,050
Personnel Costs	109,803	13,243	13,621
Debt Charges	2,138,517	1,632,854	1,218,957
Responsive Region	221,145	11,307	11,969
Property Assessment	151,941	155,846	159,851
Current Year	**67,740,923**	**70,021,187**	**71,895,650**

Niagara Health Systems (NHS) Facility and other Support (Gross $1,041,750 - Net $941,750)

The Regional Programs budget includes $796,750 for a contribution to the NHS's new cancer centre in St. Catharines. Also included is $60,000 related to youth retention, $100,000 for the 1812 Legacy Council to be funded from the contingency reserve, and $85,000 for the Pan Am Games.

Responsive Region Improvement Team (RRIT) (Net $598,909)

The mandate of the RRIT is to identify, prioritize, and conduct program, business function, and service delivery reviews that assess the potential for and benefits of process improvements and identify cost savings, alternative service delivery options, business or function reduction or cessation, areas that may require reinvestment, new non-tax revenue including the sale of assets, and associated performance measures. The establishment of this team is a direct response to Council's number one rated priority action in the draft 2012 – 2015 Council Business Plan, under the Strategic Theme of Responsive Region:

"Identify a cycle of key program review in areas of high return on investment or service improvement to increase value to those we serve including service level, improved efficiency and effectiveness including enhanced metrics, staffing levels and alternative service delivery"

GENERAL GOVERNMENT (GG)

***Summary of Debt Charges**	**2012 Approved Budget ($)**	**2013 Approved Budget ($)**	**2013 Change $**	**2014 Multi Year $**	**2015 Multi Year $**
Regional Departments - Debt Charges	40,582,031	36,669,940	(3,912,091)	37,586,688	38,526,357
Tile Drainage - Debt Charges	73,379	59,693	(13,686)	61,186	62,715
NCDSB - Debt Charges	1,128,754	1,139,165	10,411	1,167,644	1,196,835
NPCA - Debt Charges	1,628,854	1,629,744	890	1,670,488	1,712,250
Area Municipalities - Debt Charges	28,405,815	31,619,498	3,213,683	32,409,985	33,220,235
Debt Charges to Capital Levy	4,740,320	10,749,089	6,008,769	11,017,816	11,293,261
Ontario/Canada Grants - Debt Charges	(1,599,270)	(1,556,433)	42,837	(1,595,344)	(1,635,228)
Tile Drainage - Recovery	(73,381)	(59,693)	13,688	(61,185)	(62,715)
NCDSB - Recovery	(1,128,754)	(1,139,165)	(10,411)	(1,167,644)	(1,196,835)
NPCA -Recovery	(1,628,853)	(1,629,744)	(891)	(1,670,488)	(1,712,250)
Area Municipalities - Recovery	(28,405,816)	(31,619,498)	(3,213,682)	(32,409,985)	(33,220,235)
Fees & Service Charges - Recovery	151,000	150,000	(1,000)	192,661	236,389
Total Debt Charges	**43,874,079**	**46,012,596**	**2,138,517**	**47,201,822**	**48,420,779**

Debt Charges (Gross $47,569,029 – Net $46,012,596)

Debt charges for departments and boards are consolidated corporately before indirect allocations; they represent principal and interest payments related to debt held for capital projects. The 2013 proposed debt charges, before indirect allocations are $2,138,517 or 4.87 per cent higher than the preceding year. This increase is as a result of $1,791,310 in one time budget dollars allocated to debt charges from the impact of the cost allocation recovery on the rate program, as well as guidance of 2.57 per cent increase on the levy, net of the impact of the change in rate program debt.

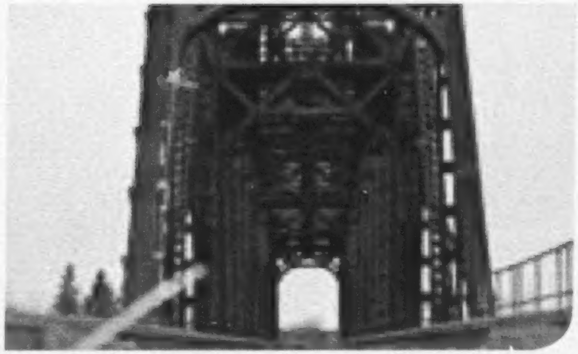
Capital Levy (Net $9,171,314)

The Region relies on an annual operating contribution to the capital levy reserve to help fund its capital program. The 2013 proposed contribution to the capital levy reserve is $9,171,314, which is $229,797 or 2.57 per cent higher than the preceding year. The amount of capital levy reserve funding proposed for the 2013 capital budget is $11,179,530, which is comprised of a forecasted carried forward balance from 2012 as well as the annual operating contribution.

GG: BUDGET SUMMARY

Object of Expenditure Description	**2012 Approved Budget ($)**	**2013 Total Budget ($)**	**2013 Change $**	**2014 Multi Year $**	**2015 Multi Year $**
Personnel Costs	632,697	742,500	109,803	755,743	769,364
Administrative Expenses	**114,105**	**114,229**	**124**	**116,424**	**118,530**
Tax Increment Financing	**200,000**	**230,000**	**30,000**	**500,000**	**600,000**
Surplus Property	**(60,000)**	**(29,500)**	**30,500**	**(42,330)**	**(43,177)**
Wainfleet Beach	**40,000**	**39,900**	**(100)**	**39,525**	**40,316**
Purch. Serv. & Other Operating Exp.					
Property Assessment	5,912,113	6,064,054	151,941	6,213,900	6,379,751
Responsive Region	377,764	598,909	221,145	616,216	622,185
Total Purch. Serv. & Other Operating Exp.	**6,289,877**	**6,662,963**	**373,086**	**6,830,116**	**7,001,936**
Financial Expenditures					
Regional Departments - Debt Charges *	40,582,031	36,669,940	(3,912,091)	37,586,688	38,526,357
Tile Drainage - Debt Charges *	73,379	59,693	(13,686)	61,186	62,715
NCDSB - Debt Charges *	1,128,754	1,139,165	10,411	1,167,644	1,196,835
NPCA - Debt Charges *	1,628,854	1,629,744	890	1,670,488	1,712,250
Area Municipalities - Debt Charges *	28,405,815	31,619,498	3,213,683	32,409,985	33,220,235
Fees & Service Charges - Debt charges *	151,000	150,000	(1,000)	192,661	236,389
TOTAL DEBT CHARGES	**71,969,833**	**71,268,040**	**(701,793)**	**73,088,652**	**74,954,781**
Other Financial Expenditures	145,000	245,000	100,000	245,000	145,000
Total Financial Expenditures	**72,114,833**	**71,513,040**	**(601,793)**	**73,333,652**	**75,099,781**
Allocations Between Departments					
911 Emergency Phone	1,207,888	1,240,540	32,652	1,240,540	1,240,540
Total Allocations Between Departments	**1,207,888**	**1,240,540**	**32,652**	**1,240,540**	**1,240,540**
Transfers to Reserves & Reserve Funds					
Contingency	1,717,794	600,000	(1,117,794)	600,000	600,000
Improvement Initiatives	405,000	405,000	0	405,000	405,000
Self Insurance	1,577,457	1,939,631	362,174	2,112,000	2,245,000
Development Charges	100,000	0	(100,000)	0	0
NHS Facility	796,750	796,750	0	796,750	796,750
Debt charges to Capital Levy *	4,740,320	10,749,089	6,008,769	11,017,816	11,293,261
Capital Levy	8,941,517	9,171,314	229,797	9,400,597	9,635,612
Total Transfers to Reserves & Reserve Funds	**18,278,838**	**23,661,784**	**5,382,946**	**24,332,163**	**24,975,623**
External Recoveries					
Tile Drainage - Debt Charges *	(73,381)	(59,693)	13,688	(61,185)	(62,715)
NCDSB - Debt Charges *	(1,128,754)	(1,139,165)	(10,411)	(1,167,644)	(1,196,835)
NPCA - Debt Charges *	(1,628,853)	(1,629,744)	(891)	(1,670,488)	(1,712,250)
Area Municipalities - Debt Charges *	(28,405,816)	(31,619,498)	(3,213,682)	(32,409,985)	(33,220,235)
Total External Recoveries	**(31,236,804)**	**(34,448,100)**	**(3,211,296)**	**(35,309,302)**	**(36,192,035)**
Gross Expenditure	**67,581,434**	**69,727,356**	**2,145,922**	**71,796,531**	**73,610,878**
Other Revenue	**(90,000)**	**(80,000)**	**10,000**	**(80,000)**	**(80,000)**
Ontario/Canada Grants - Debt Charges *	**(1,599,270)**	**(1,556,433)**	**42,837**	**(1,595,344)**	**(1,635,228)**
Transfers from Reserves & Reserve Funds	**(260,050)**	**(350,000)**	**(89,950)**	**(100,000)**	**0**
Revenue	**(1,949,320)**	**(1,986,433)**	**(37,113)**	**(1,775,344)**	**(1,715,228)**
Total Before Indirect Allocation	**65,632,114**	**67,740,923**	**2,108,809**	**70,021,187**	**71,895,650**
Total Indirect Allocation	(43,617,519)	(48,000,877)	(4,383,358)	(49,360,771)	(50,666,447)
Total Levy	**22,014,595**	**19,740,046**	**(2,274,549)**	**20,660,416**	**21,229,203**

* See Summary of Debt Charges (pg. 73)



GG: NET REVENUE BUDGET SUMMARY

Net Revenue

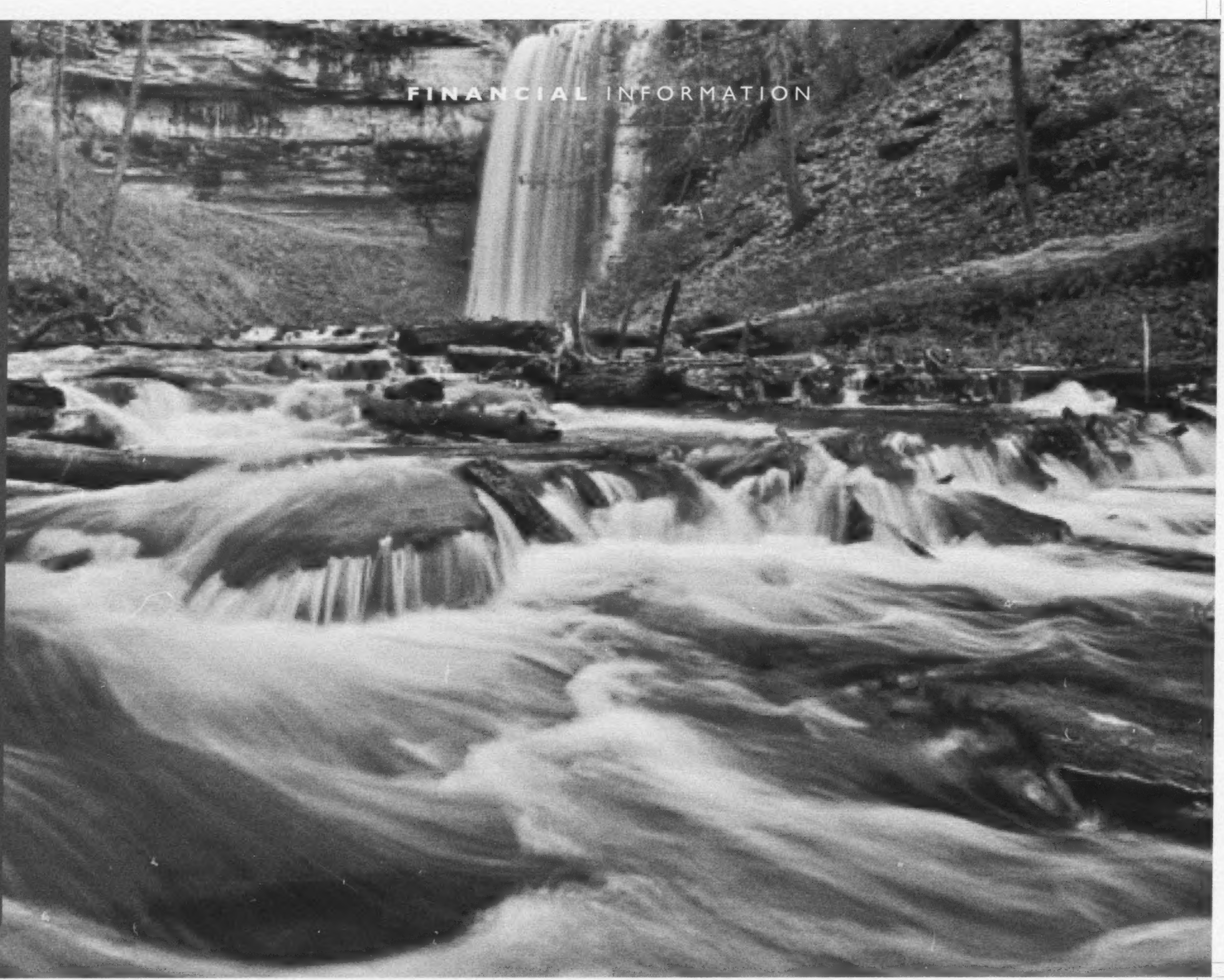
(Gross $6,875,000 - Net $23,412,206)

This budget represents the expenditure relating to tax revenue such as payments, write-offs, rebates, supplemental taxes, taxpayer relief and investment income.

The 2013 budget is $3,554,458 lower than 2012.

Revenue Object of Expenditure Description	**2012 Approved Budget $**	**2013 Total Budget $**	**2013 Change $**	**2014 Multi Year $**	**2015 Multi Year $**
Financial Expenditures	6,875,000	6,875,000		7,475,000	8,075,000
Gross Expenditures	**6,875,000**	**6,875,000**		**7,475,000**	**8,075,000**
Taxation - Levy	(16,955,000)	(15,837,206)	1,117,794	(15,837,206)	(15,837,206)
Other Revenue	(12,325,000)	(11,832,333)	492,667	(11,842,976)	(11,853,991)
Transfers from Reserves & Reserve Funds	(4,561,664)	(2,617,667)	1,943,997	(2,579,325)	(775,419)
Revenues	**(33,841,664)**	**(30,287,206)**	**3,554,458**	**(30,259,507)**	**(28,466,616)**
Total Levy	**(26,966,664)**	**(23,412,206)**	**3,554,458**	**(22,784,507)**	**(20,391,616)**

Summary of Budget Drivers -Revenue	**2013**	**2014**	**2015**
Previous Year	(26,966,664)	(23,412,206)	(23,385,507)
-Savings /Revenue Adjustments			
Payments in Lieu	1,117,794		
Transfer from Reserve	2,836,664	38,342	1,803,906
Investment Income	(400,000)	(10,643)	(11,015)
+/- Other Adjustments			
Transfer to Reserve		600,000	600,000
+/-Program Changes			
+Contractual Costs			
Current Year	**(23,412,206)**	**(22,784,507)**	**(20,391,616)**



FINANCIAL INFORMATION

LONG-TERM DEBT STRATEGY

Long-Term Debt Strategy

Fundamental to the long-term financial health of the Niagara Region and Local Area Municipalities (LAMs) is Niagara Region's Standard & Poor's (S&P) rating. On February 2, 2012 S&P reaffirmed Niagara Region's stable "AA" rating. The rating reflects S&P's opinion that the Niagara Region maintains strong liquidity and "moderate debt burden", however, they cite the Region's economy and use of reserves to fund operations by way of a technical discussion on budgetary performance, as items that are impacting the rating. As a result of these trends identified by S & P, in the 2013 budget, the Niagara Region has stabilized draws on levy reserves, is further funding economic development and has revised the Development Charge by-law facilitating future growth.

Capital Program Funding Model

The purpose of the capital program funding model is to balance immediate and future needs, affordability and sustainability, while minimizing risk and supporting economic growth in the Niagara Region. This model is fundamental to the long-term financial health of Niagara Region, supports the Standard & Poor's rating, and therefore minimizes the cost of borrowing to the Region and local area municipalities.

The intent of the model is achieved by adhering to the following concepts:

1. Capital projects are budgeted in their entirety to support transparency of total project costing. Where a project could be considered for phasing the design and construction costs can be budgeted in different years.
2. A source of funding is required for each capital project so one Council does not encumber a future Council:
   a. This ensures that the 2013 program is maintained within the affordability envelope
   b. This ensures that the accountability of the funding for a project lies with the approving Council

This model is a conservative approach to managing the Region's capital funding requirements. To support the proposed 2013 budget the total authorized long-term debt will rise to $418.2 million in 2013 ($580.2 million by 2022). However, based on planned issuance the debt balance is forecasted to be $542.7 million by 2022 and the Annual Repayment Limit (ARL) is not expected to go above 10% (related debt charges as a percentage of own source revenue). Meaning that no more than .10 cents of every own source revenue dollar will be spent on debt charges (principal and interest). Staff work diligently throughout the year to ensure that funds available are used to reduce the amount of long-term debt outstanding; through capital project close-outs reports and budget reductions that look to reduce this figure further.

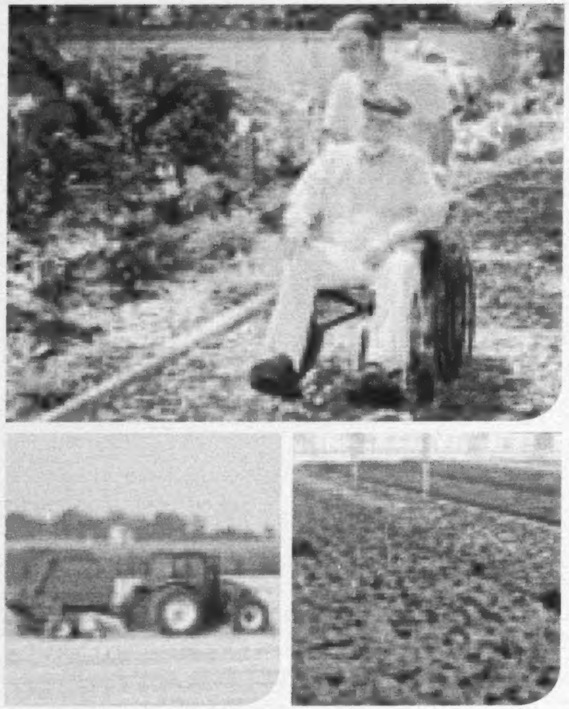
The capital program funding model, as outlined above, has been designed to support a continued strong rating by S&P. Towards this end the 2013 capital budget and nine year capital forecast ($1.56 billion) are balanced.

LONG-TERM DEBT STRATEGY

	2012 Beginning Balance	Add: New Debentures*	Less: Principal Repayments*	2013 Ending Balance
LEVY				
Corporate Services	$3,804,339		$(1,949,962)	$1,854,377
Properties Management	21,587,527	2,530,000	(1,137,239)	22,980,289
Integrated Community Planning	618,093		(131,071)	487,023
Transportation	63,092,166	16,455,000	(10,049,400)	69,497,766
Community Services	23,152,058	7,100,000	(1,724,091)	28,527,968
Public Health	944,801		(276,763)	668,038
Niagara Regional Police Service	18,702,981	12,475,000	(2,957,270)	28,220,712
Niagara Regional Housing	12,243,466	4,241,220	(1,237,235)	15,247,451
Total Levy	**144,145,433**	**42,801,220**	**(19,463,030)**	**167,483,623**
RATE				
Water	11,538,619		(394,417)	11,144,201
Wastewater	72,581,951		(2,367,421)	70,214,529
Waste Management	15,104,834		(3,498,684)	11,606,150
Total Rate	**99,225,403**		**(6,260,522)**	**92,964,881**
Total Long Term Debt Outstanding	**$243,370,836**	**$42,801,220**	**$(25,723,552)**	**$260,448,504**
DEBT PER CAPITA				**$603.80**
Add: Total Ending Authorized Unissued Debt				157,743,278
Total Long Term Debt Authorized				**$418,191,782**
DEBT PER CAPITA WITH ALL AUTHORIZED DEBT ISSUED				**$969.50**

*Includes $10 Million for Niagara Regional Police Service Long Term Accomodations Project

**Includes adjustment for sinking fund interest, photocopier lease and NRH Mortgage

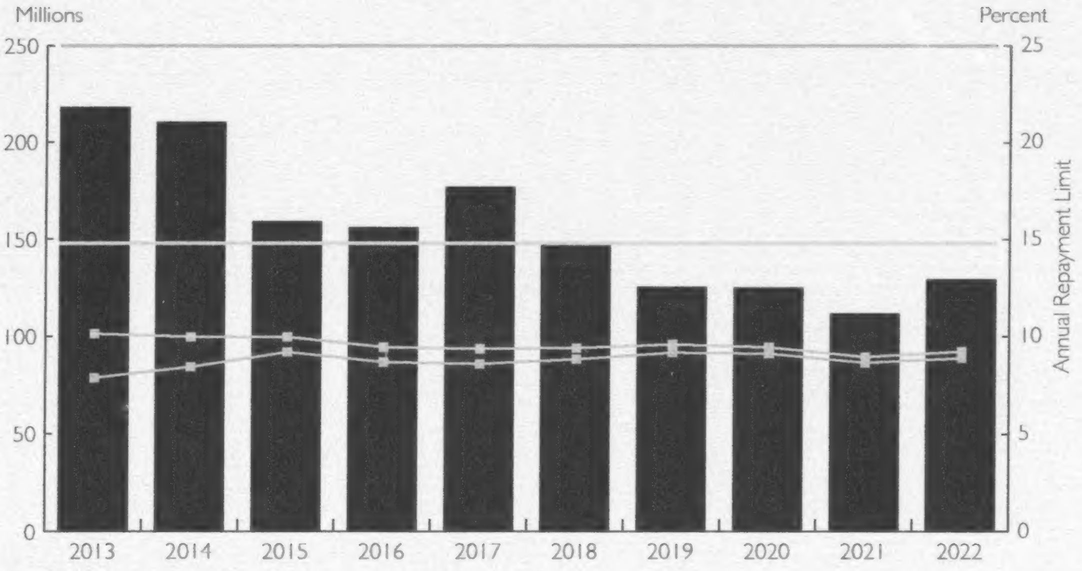


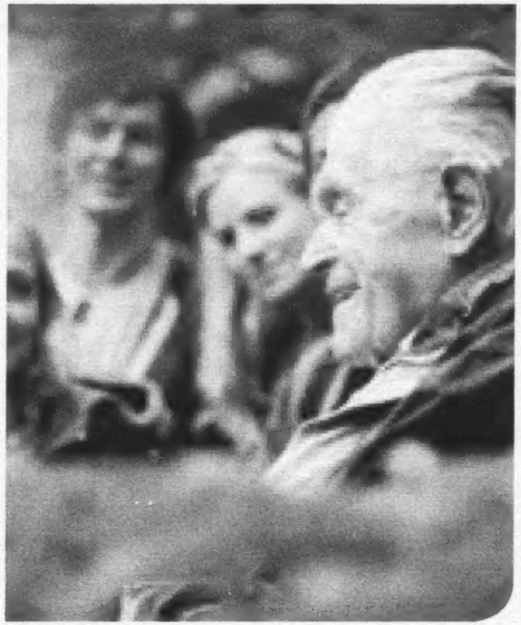
UNISSUED DEBT

	Community Services	Niagara Regional Housing	Niagara Regional Police Service	Properties Management	Transportation	IT Solutions	Public Health & EMS	Integrated Community Planning	Total
Beginning Total Authorized Unissued Debt	7,100,000	4,241,220	83,761,494	13,030,000	19,595,000				127,727,714
Less: 2013 Forecasted Debt Issuance	(7,100,000)	(4,241,220)	(12,475,000)	(2,530,000)	(16,455,000)				(42,801,220)
	-	-	71,286,494	10,500,000	3,140,000	-	-	-	84,926,494
Add: Authorized Debt Approved in 2013 Capital Budget		2,644,669	15,000,000	1,991,000	47,162,666	2,931,470	2,086,979	1,000,000	72,816,784
Ending Total Unissued Debt	**-**	**2,644,669**	**86,286,494**	**12,491,000**	**50,302,666**	**2,931,470**	**2,086,979**	**1,000,000**	**157,743,278**

* The amounts were derived using assumptions and estimated based on information available to management at the time of writing the 2013 budget summary booklet. Readers of this booklet are cautioned that 2012 actual financial results may vary from the information presented.

ANNUAL REPAYMENT LIMIT FORECAST

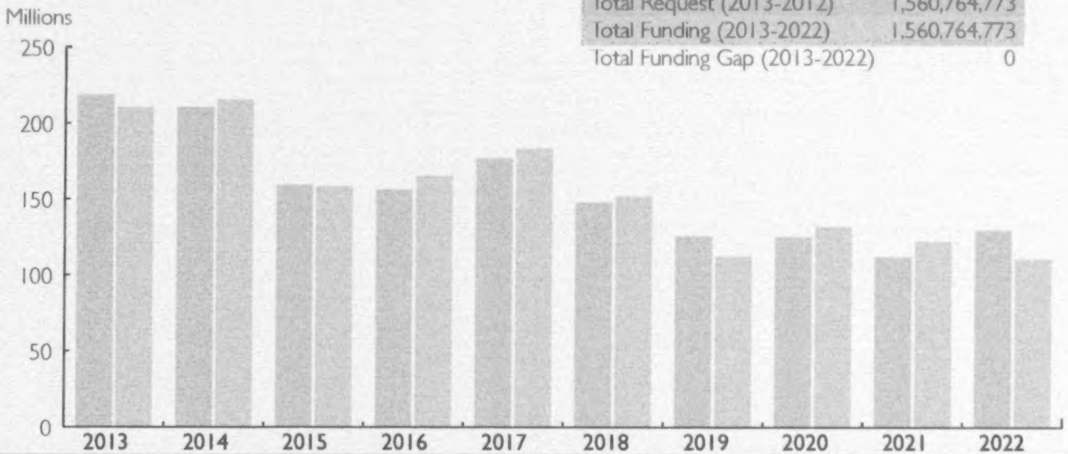




2013 APPROVED CAPITAL BUDGET AND NINE YEAR FORECAST

The 2013 Capital Budget and nine Year Forecast graph illustrates deviations between the gross capital request and the funding sources available within each year. The strategy used to balance the 10 year capital forecast is to defer surplus funding in the year it is not required and to apply to years where there are funding shortfalls. In aggregate the 10 year capital budget is balanced.

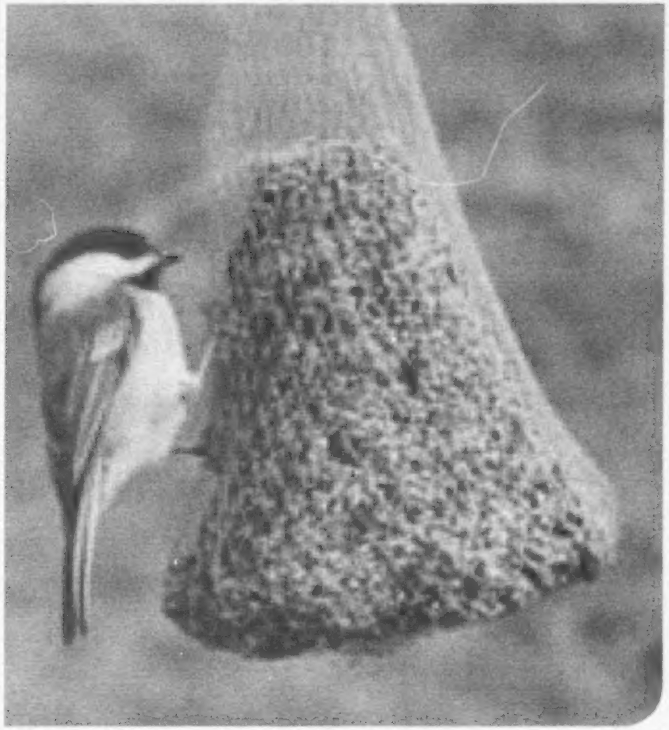
Total Request (2013-2012)	1,560,764,773
Total Funding (2013-2022)	1,560,764,773
Total Funding Gap (2013-2022)	0



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross Capital Request	218.3	210.6	159.2	156.2	176.9	147.9	125.3	125.0	111.9	129.4
Funding Sources	210.5	215.4	158.4	165.4	183.1	151.9	112.3	131.7	122.2	110.7

2013 RESERVES AND RESERVE FUND FORECAST

DESCRIPTION	Forecast Balance at December 31 2012	Forecasted Net Transfers from/(to) Operating 2013	2013 Approved Capital Budget	Forecasted Balance at December 31 2013
Ambulance Communication	$1,832,261			$1,832,261
Chemical, Biological, Radiological, Nuclear (CBRN) Emergency Response Team	51,938	50,936		102,874
Ambulance Replacement	378,682	1,025,442		1,404,124
New Affordable Housing Development Initiative	9,437,690			9,437,690
Fleet Equipment Replacement	5,860,168	1,693,380	(4,374,000)	3,179,548
Police Equipment Replacement	192,591	1,600,000	(1,600,000)	192,591
Welland Canal Crossings	141,695			141,695
NRH Owned Units	1,976,300	350,200	(466,706)	1,859,794
PW Field Admin. Equip. Replacement	4,752	100,000	(100,000)	4,752
Senior Services Capital	2,335,982	410,260	(800,000)	1,946,242
Public Health	227,742			227,742
Police Emergency Preparedness	50,000			50,000
Fire Co-ordinator	102,162	13,652		115,814
Community Services Buildings	87,282			87,282
POA Facility Renewal	2,694,058	1,000,000		3,694,058
Police Capital Levy	1,036,930	1,076,500	(944,000)	1,169,430
General Capital Levy	3,430,701	19,798,251	(11,179,530)	12,049,422
Public Health Vehicles & Equipment	366,040			366,040
NRPS LTA Financing		912,332		912,332
Police Ontario Police Viedo Training Alliance Reserve	31,250			31,250
Specialized Transit Equipment	286,195	288,000		574,195
Total Levy Supported Capital	**30,524,420**	**28,318,953**	**(19,464,236)**	**39,379,137**
NRH Rent Supplement	410,115	(30,000)		380,115
Investment Income Stabilization	1,567,318	(400,000)		1,167,318
Social Assistance	8,489,459	(1,850,524)		6,638,935
Childrens Services	700,341			700,341
Health Unit Wallington	44,778			44,778
Year End Transfer				-
Police Contingency	186,029	23,500		209,529
Contingency	9,163,267	150,000		9,313,267
Improvement Initiatives	582,330	405,000		987,330
Police Services Board Contingency	60,154			60,154
Taxpayer Relief	3,449,900	(1,725,000)		1,724,900
Total Stabilization Reserves	**24,653,691**	**(3,427,024)**	**-**	**21,226,667**



* The amounts were derived using assumptions and estimated based on information available to management at the time of writing the 2013 budget summary booklet. Readers of this booklet are cautioned that 2012 actual financial results may vary from the information presented.

2013 RESERVES AND RESERVE FUND FORECAST

DESCRIPTION	Forecast Balance at December 31 2012	Forecasted Net Transfers from/(to) Operating 2013	2013 Approved Capital Budget	Forecasted Balance at December 31 2013
Police Accumulated Sick	3,726,341	(575,000)		3,151,341
Regional OMERS	13,052			13,052
Future Benefit Cost	2,355,449			2,355,449
WSIB	14,087,980	-		14,087,980
Accumulated Sick Leave	2,759,434	(250,000)		2,509,434
Unrecorded Liabilities Public Sector Accounting Board	6,779,192			6,779,192
Employee future benefits - NRH	803,974			803,974
Police Future Benefits	2,028,070	912,332		2,940,402
Police WSIB	2,444,590	225,000		2,669,590
Sub-total Employee Benefit Liabilities	34,998,082	312,332		35,310,414
Tax Write off Stabilization	5,000,000			5,000,000
Self Insurance	2,498,184	(95,000)		2,403,184
Land Ambulance Severance	4,631,458			4,631,458
Total Liabilities	**47,127,724**	**217,332**	**-**	**47,345,056**
Niagara College Commitment	85,000			85,000
Circle Route Initiatives	1,482,681			1,482,681
Corporate Employee Recognition Team (CERT)	369,209	(41,850)		327,359
Encumbrance	-			
Hospital Contributions**	(14,076,200)	304,083		(13,772,117)
Smart Growth	1,684,554	(76,915)		1,607,639
Total Regional Commitments	**(10,454,756)**	**185,318**	**-**	**(10,269,438)**
Sewage Operations Capital Works	51,408,130	20,070,809	(29,830,000)	41,648,939
Water Operations Capital Works	69,108,591	18,839,751	(18,542,000)	69,406,342
Waste Management	11,213,320	552,483	(2,982,000)	8,783,803
Total Rate Supported Capital	131,730,041	39,463,043	(51,354,000)	119,839,084
	-	1,000,000		1,000,000
Total (Excluding Deferred Revenues)	**$223,581,120**	**$65,757,622**	**$(70,818,236)**	**$218,520,506**

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* The amounts were derived using assumptions and estimated based on information available to management at the time of writing the 2013 budget summary booklet. Readers of this booklet are cautioned that 2012 actual financial results may vary from the information presented.

** CSD 146-2011 Internal financing resulting in a negative Operating fund

DEFERRED REVENUES (DEVELOPMENT CHARGES & GAS TAX RESERVE FUNDS)

DESCRIPTION	Forecast Balance at December 31 2012	Forecasted Net Transfers from/(to) Operating 2013	2013 Approved Capital Budget	Forecasted Balance at December 31 2013
Development Charges-General Government	$427,500	$50,000		$477,500
Development Charges-Public Works				
Development Chrges-Police Services	129,341	320,000		449,341
Development Charges-Roads	1,745,449	6,262,000	(7,601,000)	406,449
Development Charges-Sewer	3,944,771	3,874,000	(2,250,000)	5,568,771
Development Charges-Water	11,118,945	1,148,000	(583,000)	11,683,945
Development Charges-Emergency Medical	140,007	75,000		215,007
Federal Gas Tax	2,211,377	13,100,000	(14,850,000)	461,377
Total	**$19,717,391**	**$24,829,000**	**$(25,284,000)**	**$19,262,390**
Total Reserve and Reserve funds and Deferred Revenues	**$243,298,511**	**$90,586,622**	**$(96,102,236)**	**$237,782,896**

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EXPLANATION OF OBJECT OF EXPENDITURE

Expenditures

Personnel Costs - include all salaries, benefits, and personnel related allowances (meals, clothing, training, etc).

Administrative Expenses - include some allowances (car, mileage, etc.), memberships, training and related expenses and other miscellaneous expenses.

Materials, Supplies and Utilities - include costs for chemical, medical and office supplies, small equipment, waste management supplies, and all utilities.

Repairs & Maintenance - include all costs to repair or maintain equipment, property and vehicles.

Purchased Services and Other Operating Expenses - include costs for audit, advertising, consulting, insurance, leases, contracted services, Provincial Offenses Act (POA) expenses and other expenses.

Social Assistance - costs include all Ontario Works allowances and benefits program costs.

Financial Expenditures - include all interest charges, principal debt payments, tax write-offs, and bad debt expense. The debt related charges included in this section get allocated to departments though the chargeback/recovery process.

Capital Equipment and Renovation - include all capital expenditures processed through the operating statement.

Interfunctional Operating Charges - include all departmental chargebacks for various services. Chargebacks are recorded internally as a mechanism to reflect the full cost of each department. It is widely recognized within the organization that the current chargeback model does not achieve full cost accounting and as such a full review of the current chargeback model was completed in 2012. For departments, interfunctional operating charges include insurance costs, rental costs, audit costs, WSIB costs, allocated salary costs, debt related costs, IT related costs, and many other interfunctional cost allocations. At a corporate level this will balance to interfunctional operating recoveries.

Interfunctional Operating Recoveries - include all department recoveries for various services described in the interfunctional operating charges above. At a corporate level this will balance to interfunctional operating charges.

Niagara Regional Housing (NRH) Provider Subsidy and Supplements - include all rent supplements and the use of all housing related subsidies.

Transfer to Reserves and Reserve Funds - include all transfers of funds in the current year from operating to a reserve or reserve fund. At a corporate level the net of the transfers to reserves and the transfers from reserves represents our total contribution to reserves or draw on reserves in the year.

External Recoveries - include all costs the Region recovers from outside boards and agencies or other external parties. It mainly includes debt charges recovered from area municipalities, school boards, and Niagara Peninsula Conservation Authority (NPCA).

Capital Recoveries - include all costs that are incurred in the operating statements but subsequently allocated to capital projects. It mainly includes personnel costs and project management fees allocated to capital projects.

Revenues

Taxation - Levy - include all revenues received from area municipalities including Payment-in-lieu (PIL) and supplemental. It also includes power dams revenue.

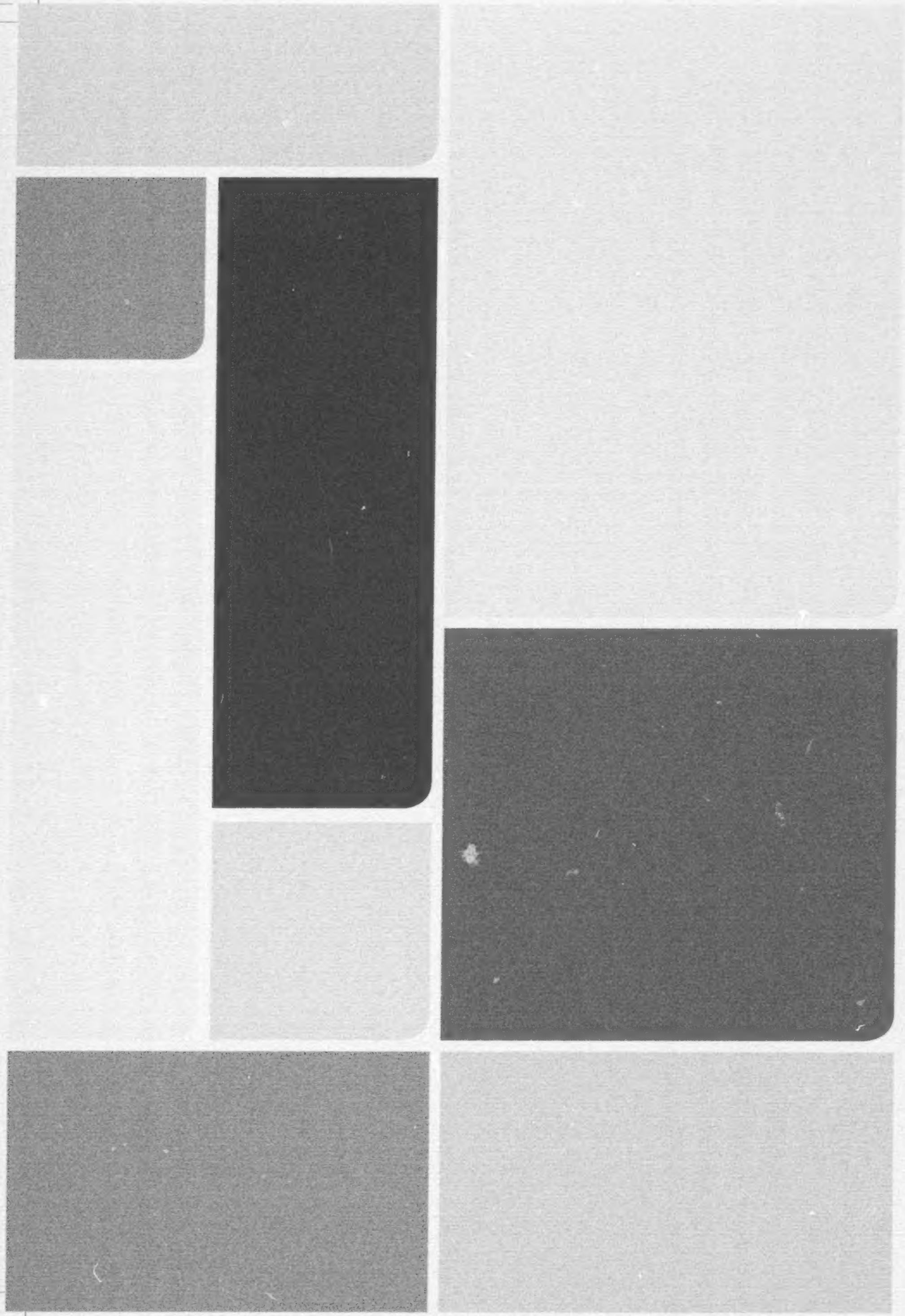
Taxation - Rate - include all funds received to support water and wastewater operations.

Ontario/Canada Grants - include all funds received from the provincial and federal governments.

Fees and Services Charges - include child care fees, health fees, police fees (i.e. accident reports, etc), seniors homes fees (i.e. long-term care accommodations fees), road fees, waste management fees (i.e. requisitions on local area municipalities) and other miscellaneous fees (i.e. zoning).

Other Revenue - include investment income, POA revenue, recycling revenue, NRH revenue, and other revenue.

Transfers from Reserves & Reserve Funds - transfers from reserves and reserve funds include all transfers of funds in the current year to operating from a reserve or reserve fund. At a corporate level the net of the transfers from reserves and the transfers to reserves represents our total contribution to reserves or draw on reserves in the year.



Niagara Region

NIAGARA REGION **2013 BUDGET SUMMARY**

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